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STATE OF CALIFORNIA
INTEGRATED WASTE MANAGEMENT BOARD
WORKSHOP ON CONSTRUCTION AND DEMOLITION
WASTE DIVERSION ORDINANCES

JOE SERNA, JR., CALEPA BUILDING
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2ND FLOOR
COASTAL HEARING ROOM
SACRAMENTO, CALIFORNIA

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9:00 A.M.

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Jack Ezekiel, California Department of Transportation,
Senior Transportation Engineer

Joe Garbarino, Chairman of the Board Marin Sanitary
Services

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Kelly Ingalls, Construction Materials Recycling
Association

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Tina Clark, Program Management Specialist, City of Monterey Par, Los Angeles County

Jim Merid, Recycling Coordinator, City of Aliso Viejo

ALSO PRESENT

Tammy Bennett, City of Fairfield

Susan Collins, Hilton, Farnkopf, and Hobson

Derek Crutchfield, City of Vallejo

John Davis, Mojave Desert Mountain Recycling Authority

Eliza Echevarria, City of Moreno Valley

Ronald Frye, Madera Solid Waste Consulting

Mike Hammer, Looney Bins

Denise Kotko, City of West Sacramento

Rich Owing, Sacramento County

Chuck White, Waste Management

Sharon Zimmerman, County of Sacramento

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1 PROCEEDINGS

2 DEPUTY DIRECTOR SCHIAVO: My name is Pat Schiavo
3 of the Diversion, Planning, and Local Assistance Division.
4 And I'd like to welcome you here today, as well as all the
5 people listening on the web. This is a live web telecast.

6 If you have any questions and you're out there in
7 web land, you can go ahead and e-mail us at tedwards,
8 e-d-w-a-r-d-s, @ciwmb.ca.gov. And on the subject line
9 just put C&D Workshop, and we'll know it's not junk mail
10 and it's an important piece of mail to get back to.

11 We have an agenda that's pretty jam backed. We
12 have to be completed by 1:00 today, as we have a Committee
13 meeting in this room at 1:30. We'd like to have all
14 questions withheld until we have a Q&A session towards the
15 end, after Panel 1 and 2 have completed their session.

16 As you can see, I am just giving an overview of
17 the agenda. We're going to have Board Member's welcome,
18 and then we're going to have some discussion and some
19 individual presentations. And then we're going to start
20 with Panel 1, which would be jurisdictions with C&D
21 ordinances. We're going to take a short break after that,
22 ten-minute break. Then we'll start with industry
23 perspectives on C&D ordinance implementation. And then
24 we'll have the Q&A session. And then we'll have wrap up.
25 And as long as we're done before the 1:30 Committee

1 meeting, that's what's important. Just a couple of brief
2 announcements as well.

3 There's going to be a deconstruction workshop
4 conference in Oakland, California, September 1st through
5 3rd. There's brochures in the back of the room. And so
6 please grab one, and appreciate if you could attend that.

7 Also there's going to be an on-line survey.
8 You'll be receiving a notice at a future time regarding
9 barriers in C&D and how to handle and deal with those
10 barriers. So you'll be receiving a notification from us
11 once the on-line survey form is put into place.

12 And now for a couple of real critical
13 announcements. If you need, the rest rooms are out this
14 door and to the left, down the hall there. And also the
15 cafeteria -- since we're going through the lunch period,
16 the cafeteria is on the first floor. You go down the
17 stairwell or elevator, and it's off to the right-hand
18 side. And pretty much a full service cafeteria, if you
19 need to take a break there.

20 And I think that's pretty much my comments.

21 I'd like to get moving forward and be pleased to
22 announce Board Member Rosalie Mulé, who has a few comments
23 for you.

24 BOARD MEMBER MULÉ: Good morning. And thank you,
25 Pat. Good morning, everyone.

1 Thank you all for coming today, including all of
2 you out there in webcast land. And I also want to thank
3 all of our panelists today for traveling here to
4 Sacramento to share with us your insights and experiences
5 with the C&D diversion ordinances.

6 First, I'd like to know a show of hands how many
7 of you represent local government here today?

8 Quite a few. I'd say at least half.

9 How many of you here today represent haulers?
10 Several.

11 General contractors and builders? Any? A few.
12 Good.

13 Demolition contractors? Any? We have one.
14 Good. Thank you for joining us.

15 C&D recyclers? Got a few, good.

16 And state agency staff? Great.

17 Well, thank you. It looks like we have a great
18 audience here today. And I'm sure we'll have something of
19 interest for all of us, especially with our speaker from
20 Caltrans, our local government, and industry panelists.

21 I just want to make a few comments. While I'm
22 new to the Board, I'm not new to solid waste issues in the
23 diversion efforts of local government. I see here today
24 in our audience one of the jurisdictions that I used to
25 work with in Riverside County, and thank you for coming up

1 today. Appreciate it.

2 One of the issues is meeting the diversion goals
3 of AB 939 through implementing diversion programs that
4 target major material types, including construction and
5 demolition, or as we call it, C&D waste.

6 As many of you know, there is a lot of
7 development occurring in California these days, which, in
8 turn, generates quite a bit of C&D waste. In fact,
9 according to a 1999 waste characterization study conducted
10 by the Board, C&D waste made up about 12 percent of the
11 statewide waste stream, which can be up to 20 percent of
12 an individual jurisdiction's waste stream. Therefore, for
13 a jurisdiction with lots of development going on, if it
14 doesn't have a C&D program in place, its disposal rate can
15 increase dramatically, which will lower its diversion
16 rate.

17 Fortunately, most jurisdictions are aware of that
18 relationship, and many have either already adopted a C&D
19 ordinance, which we'll hear today, or are in the process
20 of developing one. In fact, 58 jurisdictions currently on
21 a 1066 Time Extension have included the adoption of such
22 an ordinance in their plan of correction. Forty-four
23 other jurisdictions, not on an extension, either plan to
24 adopt or are in the process of adopting an ordinance. And
25 approximately 40 more already have adopted one.

1 Because many of these jurisdictions have
2 questions about developing and implementing such an
3 ordinance, and since the Board is charged with assisting
4 jurisdictions to implement diversion programs, we felt it
5 would be helpful to provide a forum for sharing
6 information related to C&D ordinances.

7 Having worked with local government, I realize
8 there are many challenges to implementing diversion
9 programs, especially C&D programs. That's why we've asked
10 our speaker from Caltrans, as well as your peers from
11 local government, to share their expertise and insight on
12 what works and what doesn't for the C&D ordinances so that
13 we can learn from their experiences.

14 And, of course, without the cooperation of the
15 industry related to C&D waste, like the building and
16 demolition contractors, the haulers, the C&D recyclers,
17 C&D waste will not be diverted. That's why we've also
18 invited representatives from these industries to share
19 their insight and experiences with working with local
20 governments that have C&D ordinances.

21 And lastly, to further assist jurisdictions with
22 diverting C&D waste, the Board has directed to, and
23 adopted in March, a model C&D ordinance that jurisdictions
24 may use to help them divert their C&D waste.

25 Terri Edwards of our staff -- oh, Catherine is

1 going to be doing it. Catherine Cardozo here at the Board
2 will be going over the model ordinance with you and the
3 staff's plans for future information sharing with local
4 governments related to C&D waste diversion.

5 To conclude, I just want to let you know how
6 happy I am to be here today and to see all of you. This
7 is really exciting to see such a great level of
8 participation, and we really do want to hear from you.
9 And we appreciate your input and concerns and the good and
10 the bad related to the issues being discussed today.

11 So with that, I will turn it over to Catherine.
12 Thank you.

13 (Thereupon an overhead presentation was
14 presented as follows.)

15 MS. CARDOZA: Thank you, Rosalie. That was
16 really great. I really appreciate you coming today and
17 participating in this workshop.

18 --o0o--

19 MS. CARDOZA: I was going to be introducing Terri
20 Edwards, but I get to introduce myself. I'm Catherine
21 Cardozo, also with the Office of Local Assistance, and I
22 will be presenting the Board's model C&D diversion
23 ordinance.

24 --o0o--

25 MS. CARDOZA: I don't know if you can see these

1 pictures. Got them off the Internet. Some of you might
2 recognize some of those pictures.

3 --o0o--

4 MS. CARDOZA: The topics I'm going to be covering
5 today are how we develop the model, a little bit about the
6 model ordinance itself, each of the sections, and local
7 government, the C&D information page that we're currently
8 developing that will go hand and hand with the model.

9 --o0o--

10 --o0o--

11 MS. CARDOZA: SB 1374 required the Board to
12 develop and adopt a model C&D ordinance by March 1st,
13 2004, for use by local jurisdictions. And contrary to
14 some misinformation that was circulating about the law,
15 jurisdictions are not required to adopt a C&D ordinance,
16 nor are they required by the bill to adopt an ordinance of
17 their own. And there was only one content requirement in
18 statute for the model, and that was that we were to
19 include a diversion rate of 50 to 75 percent.

20 --o0o--

21 MS. CARDOZA: We developed the model based in
22 large part on existing C&D ordinances. And we used those
23 sections that seem to be those most commonly used and also
24 on input that we got from stakeholders. And we got that
25 information by surveying and interviewing jurisdictions

1 that currently have a C&D diversion ordinance in place,
2 while our Market staff interviewed C&D related industry
3 folks and got their input on C&D diversion ordinances.

4 We asked the jurisdictions what they had learned
5 during the development, adoption, and implementation
6 phases of their ordinance so we could pass on to you that
7 information of what works and what doesn't and the
8 potential impact of a C&D ordinance on stakeholders and
9 challenges that they all faced while implementing an
10 ordinance.

11 --o0o--

12 MS. CARDOZA: Some of the feedback we received
13 from both jurisdictions and local industry was, one, the
14 importance of soliciting input from your stakeholders
15 during the development and adoption phase of your
16 ordinance, so that you don't find, hopefully, a lot of
17 problems afterwards.

18 Contractors especially pointed out to us the
19 importance of coordinating with jurisdictions in your area
20 that already have C&D ordinances, if you're going to adopt
21 one, to make sure that the ordinances, if you can, are as
22 similar as possible. Because if a contractor has to meet
23 different requirements from one jurisdiction to the next,
24 it makes it very difficult.

25 Also it's important to be familiar with your

1 jurisdiction's permitting process so that you don't build
2 in conflicting requirements in your ordinance. And one
3 thing I forgot to put in the slide is it's very important
4 to know your infrastructure to make diversion possible.

5 And lastly, we were told it's very important to
6 be prepared to provide training and education to not just
7 the contractors, but also your in-house staff that are
8 going to be implementing the ordinance before it is
9 implemented, as well as be prepared to give that training,
10 especially during the first year.

11 --o0o--

12 --o0o--

13 MS. CARDOZA: And right on to the model itself,
14 some of the features. The model was developed in a
15 quaisi-modular format. I love that word. It means that a
16 jurisdiction can basically pick and chose which sections
17 that they want to include in their ordinance. Also, in
18 the threshold section, especially, you can select which of
19 the options you want to use. For example, whether you
20 want to base your requirement on cost -- or the ordinance
21 on cost or square footage, for example.

22 The model itself is now available on the web, and
23 that is the address for that, www.ciwmb.ca.gov. And I
24 won't read the rest of it. But this presentation will be
25 also on the web, so you can get to it later.

1 --o0o--

2 MS. CARDOZA: Also, the information page that
3 I'll be talking about in a little while, there will be
4 links between the ordinance and the information page.

5 Also, if you are listening in via the Internet,
6 I'll be going over each section in the model in the next
7 few slides. So if you want to follow along, I guess I
8 will have to give you the rest of that name. After the
9 gov, it's capital L, capital G, library, which I think
10 has a capital L/candd model, slash. And that will take
11 you to the model itself.

12 And when you get to the model, the first thing
13 you'll see is a little box that will have instructions on
14 how you actually use the ordinance. And it's in lock mode
15 already. And what that allows you to do is just the
16 cursor will move to each of the blanks, and you can fill
17 in the blanks. For example, the dollar amount, if you're
18 going to set the threshold by cost, the name of your
19 jurisdiction, and so on. And then when you've used those
20 sections that you want, then you can go back to the
21 beginning and unlock the document. And there's
22 instructions on there for how you do that so you can
23 delete any of the extraneous information, like the notes
24 to jurisdictions we've included, and any sections you
25 don't want to incorporate or even just changing the

1 language to however you desire.

2 --o0o--

3 MS. CARDOZA: This is a list of the sections
4 we've included, 13 of them. And you may have seen, if
5 you've looked at other ordinances, other sections that
6 have been included or maybe that they don't have some or
7 many of these in many of these sections. And, again, we
8 just added what appear to be those most typically used
9 sections. And, again, a jurisdiction is free to use which
10 of those they may.

11 --o0o--

12 MS. CARDOZA: And I'll go through each of those
13 sections. The first one is the findings and Statement of
14 Intent. And this section is just a general introduction
15 usually to the ordinance. And we've included some pretty
16 general statements in our model. But we have seen more
17 specific statements as to why a jurisdiction is adopting
18 their ordinance. They have a lot of C&D, and it's
19 important to divert it, that kind of thing.

20 On the Board's current construction and
21 demolition web page, there's currently about 10 sample
22 ordinances up there. And you can see there's quite a
23 variety of ways for putting this findings and Statement of
24 Intent, if at all.

25 --o0o--

1 MS. CARDOZA: The next section is definitions.
2 And most ordinances we saw did have a list of definitions.
3 And in the information page we're still developing, as I
4 mentioned, we will have a list of terms that are commonly
5 defined in ordinances. And, again, we'll have a link in
6 the ordinance on our sample to the website where these
7 sample ordinances are.

8 --o0o--

9 MS. CARDOZA: The diversion requirement, we
10 encourage jurisdictions, again, to include a diversion
11 rate of 50 to 75 percent since that was required in 1374.
12 But we also realize that it's up to each jurisdiction for
13 you to set the rate that makes the most sense for your
14 conditions. And we have found, however, that most
15 jurisdictions do use at least a 50 percent diversion rate,
16 while some others have set the rate depending on what the
17 project type is.

18 For example, if it's construction or demolition,
19 they often set it higher for demolition. Or they might
20 set it higher for -- depending on the type of waste
21 they're expecting to get from the project. For example,
22 concrete and asphalt can often be -- they often set a
23 higher rate for that, maybe 75, and 50 percent for just
24 general mixed.

25 --o0o--

1 MS. CARDOZA: And this is an example of one of
2 our sections. It's the diversion requirement. And you
3 can see how we have the general wording. "It is required
4 that at least," and you fill in the blank to what you want
5 that goal to be. And then when you go back, you will
6 delete the extraneous "insert here" type thing, and also
7 the note to jurisdictions.

8 --o0o--

9 MS. CARDOZA: And again, jurisdictions, also we
10 want to advise them regarding the Board's policy on clean
11 inerts, disposed engineered fills. So we added, again,
12 that note in the ordinance. So that would be something
13 you'd want to remove when you adopt your own.

14 --o0o--

15 MS. CARDOZA: The diversion requirement exemption
16 section, this was another common section. And this
17 basically allows a contractor to ask for an alternative
18 diversion rate. For example, their project might have a
19 lot of lead-based paint or asbestos, and it wouldn't be
20 possible to meet the diversion rate that's set. So this
21 allows them to explain and justify why they need an
22 alternative rate to the one that's set. And then it would
23 be up to the compliance official to accept a different
24 rate or not.

25 --o0o--

1 MS. CARDOZA: The thresholds section. This is
2 really one of the most complicated and the lengthiest of
3 the sections that we have in our model. Because we've
4 built in options for cost and square footage, and then
5 among those, by project type, whether it's a renovation or
6 a demolition or construction project. So, again, you
7 choose one of the ones that would best suit your needs,
8 and then just delete the rest of them.

9 And also I wanted to say it was pointed out to us
10 that a threshold, if set too high, may not capture enough
11 projects to make much difference on your diversion rate,
12 which is one of the reasons for having such an ordinance.
13 But then if you set it too low, it can make it cheaper
14 actually to forfeit any deposit requirement in complying
15 with the ordinance. Again, the model is set up so you can
16 fill in the blanks, so you choose whether you want a
17 threshold based on project cost or project type. And,
18 hopefully, today you'll learn from our local government
19 panelists here what they used as the basis to set their
20 ordinance's threshold.

21 --o0o--

22 MS. CARDOZA: Many jurisdictions we found also
23 included the requirement of a waste management plan as
24 part of their ordinance. This is usually a plan that
25 requires the permit applicant to provide tonnage estimates

1 of the waste the project will generate and the estimate of
2 their percentage of how much they'll divert and how much
3 they'll dispose.

4 And many communities provided sample conversion
5 factors so the applicant has something to base that
6 complement estimate on. And they usually say in the
7 ordinance not what the conversion factors are, but that
8 you should use the ones that the city has.

9 And, lastly, providing a complete waste
10 management plan and having that approved is often a
11 condition for getting the project permit.

12 --o0o--

13 MS. CARDOZA: Another section is the deposit
14 required. And, again, like the threshold, this can be
15 based on project type, or it might be set on the project
16 cost or size. And during the model's development, it was
17 brought to our attention that general law cities and
18 counties may have some limitations on the use of deposits
19 in an ordinance. So we included this cautionary note that
20 you might want to check with your City Attorney's Office
21 or County Counsel's Office before you include that part in
22 your ordinance.

23 --o0o--

24 MS. CARDOZA: On site practices, many ordinances
25 have this section, so we included it as well. And it can

1 include directions on such as addressing on-site
2 separation of project waste and what kind of C&D waste
3 shall be included. For example, if you want on-site
4 separation of wood, plastic, packaging, drywall, et
5 cetera.

6 --o0o--

7 MS. CARDOZA: Reporting. This section relates to
8 ordinance compliance. And you should specify in this
9 section how soon after a project is completed that you
10 want the contractor to submit documentation verifying
11 compliance with the ordinance. And you should also
12 specify in the ordinance what will be the consequences of
13 failing to submit this information. So that wording is
14 included in our model. And you just specify the time.

15 --o0o--

16 MS. CARDOZA: Fines, penalties, we've included
17 this section in the ordinance to provide, again, sample
18 wording, although not all of the ordinances we looked at
19 included this section. Some jurisdictions we spoke with,
20 however, said that while they didn't have the section to
21 start with, that they found after a period of time that
22 they felt it would be -- the ordinance would be more
23 effective if they did have such a section. So they added
24 it later. And, again, maybe one or more of our local
25 government panelists will talk about what they have found

1 to work best for them, whether or not they need the fines
2 and penalties.

3 And, again, we included that cautionary note in
4 the model about the general law cities and counties and
5 the possible limitations for having fines and penalties in
6 their ordinances.

7 --o0o--

8 MS. CARDOZA: It was also recommended that we
9 include an appeals section, so you have a system in place
10 before implementing the ordinance for handling appeals to
11 any decisions that are made as part of implementing the
12 ordinance.

13 For example, if you are going to grant or deny an
14 exemption to, say, either the diversion requirement or to
15 the ordinance itself or to the amount of deposit that will
16 be returned, it's best to have that worked out and set out
17 in place beforehand. And, again, you can always add the
18 section to the ordinance that you want to adopt or change
19 the wording, et cetera.

20 --o0o--

21 MS. CARDOZA: Option to revise. Some people told
22 us that when they were talking about adopting an
23 ordinance, there was a lot of resistance met, because it
24 was difficult -- ordinances can be difficult to change,
25 and especially it's sometimes hard to envision how

1 something is going to work beforehand. So it was highly
2 recommended that we include in our model a section on
3 option to revise. And so that way you build into your
4 ordinance the ability to evaluate its effectiveness over a
5 certain amount of time, which you would specify in the
6 ordinance, so that you can make changes and hopefully in a
7 more streamline process than taking the whole ordinance
8 back through the process again.

9 --o0o--

10 MS. CARDOZA: Lastly, it was recommended that we
11 include a section on severability so if one or more of the
12 sections of the ordinances are challenged in court that
13 you could take out if it's found to be unconstitutional,
14 or whatever, that it can be thrown out, and so the entire
15 ordinance is not lost.

16 So that's it for the model ordinance. And now
17 I'd like to move on to the information page --

18 --o0o--

19 MS. CARDOZA: -- I've referred to several times
20 already.

21 --o0o--

22 MS. CARDOZA: So what is it? This is a
23 combination of the really great input we received from
24 industry, local government, and other interested parties
25 during the model's development. And it was really the

1 kind of information -- it was a lot of detail and a lot of
2 you should think about this kind of thing that wasn't
3 really appropriate to put in an actual ordinance, but we
4 didn't want to lose that. So we thought it would be
5 really important information to have. So we thought we'd
6 put it together as a web page that will link back to the
7 model ordinance.

8 And once the web page is ready and on-line, and
9 we're anticipating that to be end of summer, there, again,
10 will be direct links to both it and then the model
11 ordinance.

12 And, again, we plan to continue to add
13 information to this page so it will be a living document
14 as we receive it. And we'd really like to have a section
15 on case study so jurisdictions can learn from their peers
16 what works and what doesn't. And that would be something
17 we'll be hopefully getting information from some of you
18 that have to contribute to that.

19 --o0o--

20 MS. CARDOZA: And just a quick overview. Some of
21 the information that will be available on this web page
22 includes methods for diverting C&D waste. For example,
23 instead of an ordinance, if you want to have a policy of
24 some kind or other ways to encourage the diversion of C&D
25 waste, like even just providing education or flyers on

1 where your C&D recycling facilities are.

2 Also we'll have links, both internal to the Board
3 and external, as well as within and without California.
4 And one of our flyers in the back of the room is a listing
5 of those links that we will have on our website.

6 Also a large part of the information page will be
7 considerations that you should take into consideration
8 when you're developing, adopting, and implementing a model
9 ordinance.

10 --o0o--

11 MS. CARDOZA: And if you have any question after
12 today's workshop about the model ordinance, don't contact
13 me. Contact Terri Edwards, and that's her number there,
14 and for local government related questions. And then if
15 you have industry related questions, our staff person,
16 Francisco Gutterres, in the Markets Division will be more
17 than happy to help you.

18 Thank you.

19 Okay. That's it for me.

20 And now I will introduce Jack Ezekiel from
21 Caltrans.

22 And hopefully -- I might have to pass this mic to
23 you.

24 Jack is a Senior Transportation Engineer and
25 works with the Department's Resource Conservation Program.

1 And he's graciously accepted our invitation to speak with
2 you today about how Caltrans has and can work with cities
3 and counties with C&D diversion ordinances.

4 MR. EZEKIEL: Can you hear me? Okay.

5 My name is Jack Ezekiel with Caltrans.

6 Just to let you know, Caltrans has twelve
7 district offices throughout California and headquarters
8 here in Sacramento. Each of these 13 separate districts
9 submit an annual AB 75 report to the Integrated Waste
10 Management Board, and each of these must meet the minimum
11 requirements in AB 75 separate from each other.

12 Caltrans is able to account for the construction
13 and demolition waste debris generated from our
14 construction projects in our AB 75 reports. Typical C&D
15 waste debris generated from our construction projects
16 include concrete, asphalt, metal, and wood.

17 Caltrans construction projects vary greatly in
18 size, type, and location. Because of this, so do the
19 types and amount of waste generated from them. For
20 example, a ramp reconstruction grading and asphalt paving
21 project in District 1 last year diverted more than 17,000
22 tons of C&D waste debris from entering into the landfills,
23 while disposing of only 30 tons, while an erosion control
24 project in District 9 disposed of less than one ton of
25 waste debris and diverted zero tons.

1 The waste debris generated from our construction
2 projects becomes the responsibility of the contractor, and
3 it must be disposed of in the proper manner determined by
4 the contractor. With tipping fees at landfills at nearly
5 \$40 per ton, this can be a very costly option for many
6 contractors.

7 From an economic standpoint, contractors divert
8 debris from landfills whenever possible. Using crushed
9 concrete or asphalt as base material underneath new
10 pavement is not only a good way to avoid paying these
11 tipping fees, it also saves the contractor from purchasing
12 and transporting new base material to the job site.

13 C&D waste debris generated from Caltrans projects
14 will continue to be diverted from landfills as long as it
15 remains a cost effective solution. Ways to increase this
16 diversion is to increase the awareness of recycling and to
17 continue to promote it. I think there's a certain
18 perception with the public viewing large trucks removing
19 waste material from a Caltrans project. They just assume
20 that this is going to go to a landfill, when in actuality
21 a lot of times it's not.

22 And then, lastly -- this is going a little bit
23 quicker than I thought. Caltrans is obligated to meet the
24 requirements set forth in AB 75, which is specific to
25 state agencies. And it's separate from the requirement

1 set forth in AB 939. So even though we may be performing
2 work within a local agency's jurisdiction, Caltrans is
3 obligated to meet the requirement in AB 75.

4 MS. CARDOZA: Well, thank you.

5 Okay. Before we start with our first panel, I've
6 been asked to make a little announcement that right after
7 the first panel and before the break, we'll be showing a
8 quick two-minute video provided by Mike Hammer about a C&D
9 processing facility. And after the workshop, all the
10 videos and the Power Point presentations will be placed on
11 our website, as well as there will be an audio record of
12 the workshop, and also a meeting transcript will be
13 available there as well.

14 We'll move to our first panel. And we have four
15 representatives of local government today who were willing
16 and able to come to Sacramento to share their experiences
17 with you on adopting and implementing C&D diversion
18 ordinances.

19 And we have Stephen Bantillo, S-t-e-p-h-e-n,
20 Environment Services Specialist with the City of San Jose,
21 who works in their Construction, Demolition, and Diversion
22 Deposit Program.

23 And Tina Clark, who is a Program Management
24 Specialist with the city of Monterey Park, Los Angeles
25 County.

1 And Jim Merid, Recycling Coordinator for the city
2 of Aliso Viejo in Orange County.

3 And Bill Worrell or William --

4 MR. WORRELL: Bill.

5 MS. CARDOZO: Bill Worrell, a Manager with and
6 representing the San Luis Obispo County Integrated Waste
7 Management Authority.

8 MR. WORRELL: Right.

9 MS. CARDOZA: And what we're going to do today
10 for the panelists is we've asked each panelist to make a
11 short five-minute presentation about their involvement
12 with C&D ordinances. And then we'll ask each of them to
13 respond to a set of prepared questions.

14 And, again, this will be my mantra for the day.
15 If you have any questions, please hold them until the end
16 after our second panel when we'll have a Q&A for all the
17 speakers.

18 So, Stephen, did you have a Power Point?

19 MR. BANTILLO: Yes and no. Other stuff related
20 to surveys, not on the program.

21 MS. CARDOZA: Stephen, we'll start with you.

22 MR. BANTILLO: So if I had a Power Point, you'd
23 start with someone else?

24 MS. CARDOZA: I'd say John, why isn't it on the
25 screen?

1 MR. BANTILLO: Testing. Good morning.

2 As Catherine said, I'm Stephen Bantillo with the
3 city of San Jose. I've been doing work on C&D for a
4 while. One of the things that I've been overwhelmed with,
5 actually, is managing our commercial solid waste and
6 recycling plan, the CDDD. Construction, Demolition,
7 Deposit Program it's just a component of that.

8 On C&D, back in 2000, I had asked the California
9 Resource Recovery Association to look specifically at
10 construction and demolition waste, because I saw that as
11 an emerging issue and one of those low hanging fruits,
12 that those of us in government and recycling industry like
13 to call some of the things that aren't being collected
14 yet, and we see as something that we can go after. They
15 said they didn't have a technical counsel for that, but go
16 ahead and create one.

17 So within a year created the Construction and
18 Demolition Council for CRRA. I've Chaired that the past
19 couple years. The current Chair, Patrick Michael Hayes
20 from Oakland, is sitting here in the audience. There's a
21 lot of great people of C&D in the audience I'm seeing.

22 But anyway, we've been focusing on some C&D
23 issues, some green building stuff. But we've been
24 coordinating the construction and demolition for CRRA
25 conferences for the past few years.

1 We hosted a construction and demolition workshop
2 down in San Diego last year, also featuring Waste Board
3 staff to discuss the development of the model ordinance.

4 I've been working on the Board with the
5 Construction Materials Recycling Association on some of
6 the national issues facing C&D recycling and also
7 participating in discussions with Waste Board staff
8 related to the development of the construction and
9 demolition regulations and also alternative daily cover
10 regulations, specifically as they effect some economics
11 for recyclers and recovery of C&D materials.

12 And very briefly, just to mention San Jose's
13 program. I did say it's the construction, demolition,
14 diversion deposit. We have structured our ordinance
15 around a deposit where when people come to the city for a
16 permit through our Permit Center, they're assessed a
17 deposit based on the square footage of their project.
18 When they can demonstrate to the city how they have
19 diverted at least 50 percent of those materials, we refund
20 their money. That's the key component of the program.

21 But the real most important component of the
22 program, I would have to say, is development of the
23 infrastructure, as Catherine mentioned earlier. We have
24 issued or offered \$750,000 in infrastructure grants to get
25 facilities in the area to begin to process mixed C&D

1 materials, because we found that that was one of the
2 largest slugs, if you want to call it that, slugs of
3 materials getting buried in the landfills. And they
4 didn't really have the processing capacity for that. So
5 the key thing here is developing the processing capacity
6 within your jurisdiction or within the region that could
7 be of service to the folks who are generating or hauling
8 the C&D waste.

9 And then we came up with a certified facility
10 process. And I think there's an opportunity to talk about
11 that a little bit later. But we have -- after three years
12 of operating our program -- we started in 2001 -- we now
13 have a rules and regulations as promulgated by the
14 director and allowed by Municipal Code that's sitting in
15 our attorney's office waiting for finalization. We had a
16 meeting a couple weeks ago with all of our operators in
17 town about the rules and regulations, did a training on
18 it, and got some feedback from them, made a few edits to
19 it. But as it sits is how it's probably going to go.

20 I'll probably mention a number of documents that
21 we have today. They're not quite on our website. It's
22 www.sjrecycles.org, and look under the Works section for
23 construction, demolition, and recycling. And we'll be
24 getting a number of documents posted there related to
25 recently completed survey on sort of satisfaction of all

1 the folks who are using the program, as well as some of
2 our outreach or educational efforts, how they're
3 perceiving that, and the kinds of things we might need to
4 change to make the program work a little bit better.
5 Thank you.

6 MS. CARDOZA: Thank you, Stephen.

7 Our next person will be Tina Clark.

8 MS. CLARK: Good morning. I just want to
9 introduce myself a little bit. I'm Tina Clark. I've been
10 a Principle Management Analyst with the city of Monterey
11 Park in their Public Works Department for nine years. And
12 part of my job responsibilities are to oversee and manage
13 the city's waste collection and recycling programs. As
14 part of this responsibility, I was directly involved and
15 overseeing the development and implementation of our
16 ordinance.

17 Before I highlight our ordinance requirements, I
18 just want to provide you with a little bit of background
19 about Monterey Park. We're a population of 60,000. Our
20 size is 7.7 square miles. I'd love to say we were just
21 south of the Santa Cruz area, but unfortunately we're not.
22 We're in Los Angeles County. We're seven miles directly
23 east on the 10 Freeway from downtown Los Angeles.

24 We have some unique demographics. Our population
25 is 60 percent Asian, 30 percent Latino, and 10 percent

1 white/other.

2 Just a little bit about our development. The
3 city is predominantly residential, with some commercial,
4 and a very small amount of light industry, which means
5 we're essentially built out. The type of development we
6 see in Monterey Park is single-family houses being knocked
7 down and then multiple townhouses being constructed on
8 that same parcel.

9 At the time of our ordinance implementation, it's
10 really important that everybody knows we were right in the
11 process of adopting a new exclusive residential and
12 commercial trash collection franchise and implementing
13 that. And this program went hand in hand with that
14 contract.

15 Some overview of our ordinance. The ordinance
16 was passed in November of 2002. The ordinance -- due to
17 converting our residential trash collection program from a
18 manual collection system to an automated mixed waste MRF
19 processing system, it took us a few months -- even though
20 our ordinance was adopted in November of 2002, it took us
21 some time to get it fully implemented, just due to
22 staffing shortages. Of course, our ordinance impacts are
23 building and demolition permit applicants.

24 The basic requirement of our ordinance is that if
25 an applicant contracts for waste removal services, they

1 must use our franchised hauler. Our hauler has a C&D line
2 at its MRF processing facility, and the hauler guarantees
3 an overall diversion level for all of the city-generated
4 waste it collects. So the C&D ordinance specifically
5 targets those folks that are self-hauling. If a project
6 is over 1,000 square feet, the applicant must divert
7 50 percent of the waste generated from the project. If
8 it's under 1,000 square feet, they're exempt from the
9 diversion requirement.

10 Our ordinance is a two-step process. We wanted
11 to keep it very, very clean and simple. All applicants
12 have to do Step 1, which is completing what we call a Part
13 1 form. This form states whether they're going to be
14 contracting with our franchised hauler or they're going to
15 be self-hauling or using a contractor that's self-hauling.
16 The project size, the types of materials, and we don't ask
17 for tonnages. We just ask for them to estimate the types
18 of materials that they're going to be generating.

19 Step 2 is only going to apply to those self-haul
20 applicants that are over 1,000 square feet. They have
21 to -- at the end of the project, they have to complete
22 what we call a Part 2 form indicating the disposal and
23 recycling facilities that they used, the tons and/or
24 volume that they took there, and they have to attach a
25 weight receipt. In some instances, we do allow them to

1 attach just an affidavit stating somebody did receive that
2 material for reuse.

3 We do have ordinance penalties. Failure to
4 submit a Part 2 form, the weight receipt attachments, or
5 to meet the diversion requirement, means the next time the
6 applicant pulls a permit in the city, they have to post a
7 \$250 performance bond. If the bond is forfeited in the
8 future, then they won't be able to receive a permit for a
9 year in our city. We used to have stronger penalties in
10 the draft ordinances, but by the time it went through the
11 process of being approved by our City Council, this was
12 severely weakened. So they don't seem that strong at this
13 point.

14 Really briefly for staff coordination of the
15 ordinance, our building division is responsible for
16 providing the information form, the information packets to
17 the applicants. They're responsible for collecting those
18 forms back from them and getting them over to our Public
19 Works Department. In the event -- we haven't had to test
20 it yet. But if we do have somebody required to post a
21 performance bond or we black list somebody for a year from
22 our city, they would be responsible for overseeing that
23 portion, collecting the performance bond.

24 Public Works, what we do is answer detailed
25 applicant questions. We don't want to burden our building

1 personnel. If somebody is having a problem finding a
2 facility to take a certain item to, that type of thing,
3 we're there to help them. We review and track the forms.
4 We follow up with any missing information on the forms,
5 and we determine permit applicant ordinance compliance.

6 And then, very briefly, I want to run through our
7 2003/2004 program statistics. This is one full year of
8 having our ordinance fully implemented. We had 352
9 projects. Out of that, right off the bat, 113 of them
10 were under 1,000 square feet and were exempted from the
11 ordinance. The 239 that were over 1,000 square feet, 55
12 contracted with our franchised hauler. We had to exempt
13 138 roofing projects from our ordinance requirements, and
14 this is because in our area I have been unable to find a
15 facility that could handle the roofing material. Leaving
16 46 permit applicants that have been required to submit the
17 Part 2 forms.

18 To date, we've received five of those.
19 Outstanding, we have 41. We're in the process right
20 now -- that's one of the things I'll talk about later --
21 of working with our building division on finding out of
22 those 41 how many have been closed out. That's been sort
23 of one major area of issue with our ordinance, is building
24 permits in our city can stay open as long as three years.
25 So we need to have a mechanism to close those out.

1 That concludes my overview of our ordinance.

2 MS. CARDOZA: Okay. Our next speaker -- thank
3 you, Tina, is Jim Merid from the city of Aliso Viejo.

4 (Thereupon an overhead presentation was
5 presented as follows.)

6 MR. MERID: Good morning, still. Just a few
7 general facts about the city of Aliso Viejo. We're a
8 brand-new city.

9 --o0o--

10 MR. MERID: I think we're still the baby of the
11 state yet. We were incorporated in 2001. We're located
12 in South Orange County. And a small city, about 7 square
13 miles, and the population between 43- and 44,000
14 residents.

15 We're about 95 percent built out. So most of the
16 projects that we see come through for permits and planning
17 approval are redevelopments or tenant improvement
18 projects. However, we're currently undergoing a change of
19 the general plan, so we anticipate in the near future some
20 major redevelopments of some key tracts.

21 So moving on to our recycling program. It was
22 adopted in March of '03. And we kind of limited our
23 ordinance to projects --

24 --o0o--

25 MR. MERID: -- that are in excess or equal to

1 5,000 square feet or have projected costs equal to or
2 greater than \$50,000. And that's for the entire project.
3 That includes the demolition part, as well as construction
4 part.

5 And basically when applicants come in that meet
6 these requirements, they have to fill out a recycling and
7 waste reduction form. And we tie it into the issuance of
8 the permit. If this form is not approved by myself or a
9 building official, they will not be able to receive a
10 demolition or construction permit.

11 As far as fees go, we have a refundable security
12 deposit of \$1500. That's the minimum. This is for the
13 first 30 tons. And any tonnage above that is \$50 a ton.
14 So it can add up pretty big to a big sum depending on the
15 size of the project. But it's an extra incentive to get
16 the contractor or the developer to recycle.

17 And there's an application fee of \$180. That's
18 just built into looking at maybe a couple hours' worth of
19 work to process the paperwork and the documentation that
20 goes along with it.

21 --o0o--

22 MR. MERID: And then moving on, since this
23 program has been ongoing for a year, these are some of the
24 obstacles we've come across. The fact is that in South
25 Orange County, there's really a lack of recycling

1 facilities. And also of those recycling facilities that
2 exist in Orange County, most of them are material
3 specific, meaning they only haul aggregates, concrete, or
4 steel. So what you often find is that a contractor will
5 have to contract with three or four different haulers
6 depending on what materials he's accepting.

7 So that can create some documentation problems,
8 because now when we go to verify the tonnages and the
9 diversion, we're looking at several or more different
10 kinds of documentations. And so it almost takes an
11 analyst or an expert to decipher some of the codes as far
12 as the tonnages go. So that's some of the problems we've
13 run into it.

14 And especially being the way our franchise hauler
15 agreement is, we have an open contract for temporary
16 facilities, which are construction sites or anything under
17 that label. So this can open it up to any hauler coming
18 into town and doing some work on temporary facilities,
19 while other cities, especially our neighboring cities,
20 have exclusive agreements with their franchise hauler,
21 like in Monterey Park.

22 So it's a little complicated. And I think that
23 will change in the near future once we get our new
24 franchise agreement in '07, I believe. We're probably
25 going to restrict to having an exclusive franchise

1 agreement for temporary facilities as well. It's a lot
2 easier to keep track of the documentation.

3 And then another problem is verification of
4 recycling rates for recycling facilities and the specific
5 projects. We just go by estimates, mainly by what we see
6 on the Board website. We have gone out in the past and
7 then inspected these facilities to make sure that
8 recycling was occurring and that it wasn't really a
9 transfer facility with the label of a recycling facility.
10 So it takes a little bit of leg work on our part to verify
11 that these are actual recycling facilities and the waste
12 is not going to be transferred to a landfill.

13 And then the last, and probably one of the most
14 difficult parts, was coordinating with other city
15 departments. Initially, the Building Department was
16 running this program. However, in the first four months,
17 the Public Works Director was kind of curious as to why no
18 projects had met this threshold when we had seen major
19 projects go through Planning. So we found out that the
20 Building Department wasn't really up to this, and this is
21 not something that they were really interested in.

22 So they charged me with putting together this
23 program and following through. So on top of everything
24 else, this is something I have to work on. So now what it
25 is, is I've created a checklist for the Building and

1 Safety as well as the Planning Department that
2 automatically flags projects that meet the threshold for
3 the ordinance. And so we worked hand in hand now, versus
4 not knowing what the left or the right hand is doing. So
5 that was the hardest part.

6 And that's all I've got.

7 MS. CARDOZA: Thank you, Jim.

8 And I think our last speaker is Bill Worrell with
9 San Luis Obispo.

10 MR. WORRELL: There should be a Power Point
11 coming up, I hope.

12 --o0o--

13 MR. WORRELL: Back in '98 we were sitting pretty
14 well at 51 percent, and we had pretty much implemented
15 curbside recycling for businesses and for residential.

16 --o0o--

17 MR. WORRELL: Well, all of a sudden, we were
18 seeing some problems at the landfill. And it's a little
19 hard to read. On the right-hand of the two columns is the
20 non-franchised waste stream. And you can see, in one
21 year, it increased 32 percent, while the franchise waste
22 stream went down 3 percent.

23 --o0o--

24 MR. WORRELL: We said, well, franchised waste
25 we've been doing a pretty good job on. The non-franchised

1 waste in all these cities, which I do represent seven
2 cities in the county, which is essentially the C&D
3 material and the self-haul material, was out of control.
4 It was going up 30 percent in one year.

5 Next.

6 --o0o--

7 MR. WORRELL: And for those of you who remember
8 Paul Relis, when he was on the Waste Board, that was one
9 of his big issues, is you need to address all the waste
10 streams. You can't just look at the stuff that you
11 normally think of. And in our case, about a third of our
12 waste stream was coming from non-franchise, 16 percent
13 from C&D waste hauling, and 16 percent from self-haul.

14 --o0o--

15 MR. WORRELL: So we decided we'd better address
16 these areas. Otherwise, we're going to have a hard time
17 meeting 50 percent. So in March of 2000 we came up with a
18 model ordinance that my Board adopted which has one
19 elected official from each city and all five members of
20 the Board of Supervisors. We sent it out to the cities,
21 the building industry, and other interested parties to
22 review it, came back, and finalized our model ordinance in
23 September 2000, and sent it to all our member
24 jurisdictions for their consideration.

25 --o0o--

1 MR. WORRELL: The city of a Rio Grande adopted it
2 February 2001. It's hard to believe it's been in place
3 over three years. It seems like yesterday.

4 City of San Luis next month.

5 And next year, the city of Morro Bay adopted it.

6 And the county of San Luis Obispo has it on their
7 agenda for July 30th. Being a good staffer, I never
8 predict how an elected body is going to vote. But if
9 anybody wants to bet on this one, I'll take the odds
10 they're going to pass it.

11 Next.

12 --o0o--

13 MR. WORRELL: Our ordinance, which because we
14 have seven cities in the county, we wanted to make sure it
15 was the same for the builders, because builders work
16 throughout our region. And basically it is. Any
17 construction project over 50,000 is covered by the
18 ordinance. Any demolition over 1,000 square feet, there's
19 a 50 percent diversion requirement. And, finally, there's
20 a fine of 2 percent if you fail to meet the requirements.

21 --o0o--

22 MR. WORRELL: It requires a C&D plan with
23 estimated tonnage at the beginning of the project turned
24 into the Building Department, and actual tonnages at the
25 end. And there is an option to use certified C&D

1 facilities.

2 --o0o--

3 MR. WORRELL: This is the form that's very
4 complicated. You fill out this left-hand side at the
5 beginning. And it has the different types of materials.
6 At the end you fill out the right-hand side. And that's
7 it if you're a builder. We've tried to keep it as simple
8 as possible.

9 Next.

10 --o0o--

11 MR. WORRELL: That's what's on the back side of
12 that form, which gives you conversion factors to use.

13 --o0o--

14 MR. WORRELL: These are different places where
15 you can take the different materials. Now, one of the
16 things we've done, if you notice there's a series of stars
17 on the left-hand side.

18 --o0o--

19 MR. WORRELL: We have what are called certified
20 C&D facilities. If you, as a builder, take your materials
21 or a homeowner doing a project take your materials to one
22 of four roll-off companies, actually haul your waste or
23 take it to a landfill that has a certified C&D facility,
24 you are assumed to meet their average rate, which is 71
25 percent. You notice that form that has actually twelve

1 spaces you had to fill in, if you use a certified hauler,
2 you don't have to fill in the twelve spaces. You take
3 that form. You write down the hauler. You attach the
4 tickets to it, and you're done. So it's a very simple
5 process. And our office every quarter certifies those
6 facilities as being in compliance with the 50 percent
7 diversion.

8 --o0o--

9 MR. WORRELL: So far we've done over 1,000
10 permits through the system. 21,000 tons were diverted in
11 2003. To give you an idea, we disposed of about 250,000
12 tons. And once the county is in, we'll see that increase
13 quite a bit more.

14 --o0o--

15 MR. WORRELL: And just a couple quick pictures.
16 This is the facility at Cold Canyon Landfill. In the
17 foreground is the C&D sorting area. In the back is the
18 self-haul area. Some of you may have read about two
19 months ago we got credit -- I don't know if it's true or
20 not -- for having the first what we call a facility
21 utilization fee of \$20. If you're a self-hauler, we
22 direct you over there. And you don't want to go. You
23 want to go to the landfill, then you pay an extra \$20
24 surcharge. We had a lot of fun coming up with the title.
25 You can do the abbreviation and that's how we came up with

1 our title.

2 --o0o--

3 MR. WORRELL: Next, you'll see mix roll off
4 boxes, basically dump. People go through, sort it. There
5 you can see the wood on the right.

6 --o0o--

7 MR. WORRELL: And finally the concrete on the
8 left. Very complicated operation. And I know we're going
9 to get in more on the questions, so I'll just kind of give
10 a quick overview for everyone.

11 MS. CARDOZA: Thank you very much, Bill.

12 Now what we're going to do next is Terri Gray
13 will post the questions. We've sent each of the panelists
14 a set of questions that we'll be asking and flashing those
15 across the screen as Terri asks them.

16 And just to let you know, after this panel we'll
17 have our break. And then we'll come back and start with
18 the Panel 2.

19 MS. GRAY: Hello, again, everyone. We'll start
20 with Stephen. And there are five questions for this
21 panel.

22 We'll start with Bill. First question. Why did
23 your city choose to adopt an ordinance?

24 MR. WORRELL: If you noticed -- I knew you were
25 going to ask that question. I've got it right here.

1 (Laughter)

2 MR. WORRELL: On my pie chart, I showed about a
3 third percent of the waste was from self-haul and C&D. If
4 we were going to hit and maintain 50 percent, we had to
5 recycle actually 70 percent of the franchised waste
6 stream. So that to -- because if you're going to only
7 deal with two-thirds of the waste to get to 50 percent, 70
8 percent of that material that is to be? And we have a
9 goal of zero waste. So we want to go way beyond
10 50 percent to begin with. So that's really -- this was
11 basically an easy waste stream to go after. So that's why
12 we decided to go after it.

13 MS. GRAY: Thank you.

14 Jim.

15 MR. MERID: Our city choose to adopt an
16 ordinance, because when we initially did a base year
17 study, we believed that the C&D materials made up
18 20-something percent of our waste stream. So this was an
19 easy area to target as far as getting some diversion right
20 off the bat. And that's exactly why we went fast and
21 adopted a C&D ordinance.

22 MS. GRAY: Thank you.

23 Tina.

24 MS. CLARK: The city of Monterey Park back in
25 late 1998 formed a ten-member volunteer recycling Task

1 Force made up of representatives from our residential and
2 business communities. And the Task Force -- the purpose
3 of the Task Force was to identify what programs the city
4 was going to need to implement to meet the 50 percent
5 requirement. And, of course, they identified C&D as
6 really an uncontrolled, unregulated portion of our waste
7 stream. And in spring of 2002, this finally became a City
8 Council approved recommendation of the Task Force, which
9 we then implemented. And, of course, we had to apply for
10 a time extension. And so it became one of our programs
11 listed in our 2003 time extension application with the
12 Waste Board.

13 MR. BANTILLO: Same question?

14 MS. GRAY: Same question.

15 MR. BANTILLO: There's roughly 2 million tons of
16 inerts moving through San Jose every year. And,
17 unfortunately, we don't have a system that captures the
18 real data on that. But what we did capture through a
19 waste composition study in 1998 was that 31 percent of all
20 materials ending up in the landfill was construction and
21 demolition. It was a significant amount.

22 We determined then that we needed to find out how
23 it was getting there. And I know self-haul was mentioned
24 by a couple of our panelists. We found through surveys
25 that the self-haul community was responsible for the vast

1 majority of all the C&D materials getting into the
2 landfills.

3 And the recycling programs in San Jose are all
4 incentive based. Pay as you throw. The more garbage you
5 make, the more you pay. The more you recycle, the less
6 you pay. And so that's why we decided to go after a
7 deposit program for our system. People would pay up
8 front. Again, if they recycle, they get all their money
9 back.

10 The self-haul community, again, wasn't touched by
11 any of our other systems. So we thought with this being
12 focused specifically on permits that we would capture the
13 self-haul community, be it the Joe homeowner who's doing
14 his kitchen or bathroom remodel or even some other folks
15 in the hauling community that don't participate through
16 San Jose's franchise hauling system.

17 MS. GRAY: Thank you.

18 And back to Bill, I suppose.

19 What barriers have you encountered during
20 adoption of or implementing your ordinance?

21 MR. WORRELL: One of the things we found -- and
22 it's a change I would highly recommend -- is that we had
23 originally proposed to take a deposit up front. And that
24 was really the only issue the builders and the Building
25 Departments had. The builders hated to pay the deposit.

1 The Building Departments hated to receive it, because they
2 had to deal with it. They had to pay it back at the end
3 of the project. And after 1,000 projects, we've never had
4 to fine anybody. So it would have created a lot of work.
5 And that was really the biggest change we made. When we
6 did that, the builders and the Building Departments all
7 came on board without, you know, any -- too much of a
8 hassle.

9 MR. MERID: Our biggest problem, like I mentioned
10 earlier, was staff coordination and also a large part --
11 obstacle to our program is the fact that there are very
12 few recyclers in south Orange County. So we had to
13 initially develop our own list of recyclers and C&D
14 facilities where contractors could take their materials
15 to. But once we got over those, I think it was pretty
16 much smooth sailing after that.

17 MS. CLARK: The ordinance adoption challenge that
18 we had was that at the time of our ordinance adoption, it
19 was a very politically charged environment, because we had
20 just entered into an exclusive franchise, and it was a 3-2
21 Council vote.

22 And in terms of really penalty provisions -- I'm
23 kind of laughing because we're sort of the exact opposite.
24 We feel that ours are too weak because we give them -- the
25 first time around they have a full go. The second time

1 they pull a permit, they would post a very small
2 performance bond. I mean, the amount, \$250, is nothing.
3 And then if they had to forfeit their performance bond,
4 then they would not be able to pull a permit for a year.
5 So we felt up front we needed to have tougher penalties.
6 But our city manager wanted us to tone down the penalties
7 in order to get it approved and through the process, with
8 the understanding that we could go back at a later date
9 and clean up the ordinance and address anything that we
10 needed to.

11 In terms of implementation, what was the most
12 surprising to me was the lack of internal communication,
13 not in our Public Works Department, but in our Community
14 Development Department where our Building Division is. I
15 worked and my intern worked very closely with the
16 department head of that department and our building
17 manager. And every time we provided draft ordinance
18 copies for their review, we provided extra ones for all
19 the staff to be able to review. And we found out later
20 once the ordinance was adopted that when I had a meeting
21 with the staff to implement it, they had no idea of the
22 ordinance and what the requirements were.

23 We handle -- they were very apprehensive. One of
24 their main concerns was they did not want to hold up
25 approval of the building permit once the project was

1 complete. It was really important to them that failure to
2 comply with this ordinance did not mean any hold up on
3 their end.

4 The other thing that they wanted is, even though
5 the forms are very simple, they wanted a fun, friendly
6 flyer with a nice graphic, step one, step two. This is
7 what you do, why. And they also wanted weight conversion
8 tables. So we made the effort to provide those to them.

9 And the other thing is because of the politically
10 charged environment and now we were requiring anybody
11 contracting for services to use an exclusive hauler, they
12 had been doing that since the contract was approved. And
13 I made myself very available to assist them in dealing
14 with the difficult customers. Believe me, this has been
15 very controversial in our city.

16 MR. BANTILLO: We've learned a few things here.
17 I have to say in starting our program we were very
18 fortunate in that we were also developing as a city a
19 green building policy. And I managed to ride on the
20 coattails, so to speak, of our green building folks, who
21 this particular group, had a Mayor-appointed Green Ribbon
22 Task Force that included the captains of industry and all
23 the building folks and banking and education groups, the
24 whole nine yards. And, again, running the parallel
25 process with our CDDD program.

1 Also had separate stakeholders processes to make
2 sure that we understood what a lot of people's concerns
3 were. We had the haulers, the facility operators, the
4 independent roofing contractors of California, because
5 roofing, I know you mentioned, is kind of a challenge. It
6 still is. As well as the Home Builders Association,
7 knowing they spend quite a bit of time with our City
8 Council members, just to make sure that everybody was on
9 board with what we were attempting to do, and then
10 building support for our program through the green
11 building process.

12 When the green building group made their
13 recommendations to Council, it came from the Green Ribbon
14 Task Force, which included a clear statement support for
15 the CDDD program. So it was relatively clear sailing in
16 getting approval for it. Again, the stakeholder process
17 was very key for us. We're under direction to keep our
18 Council memos very short, and yet in this particular memo
19 I think there were at least four pages dedicated to the
20 stakeholder process.

21 Some of the things that we learned, of course,
22 consistent with what I think a lot of people's experiences
23 are that the C&D programs and recycling in general aren't
24 run through the planning department or permit centers.
25 And there's some challenges in making those connections.

1 We had hoped they would have started initially taking the
2 deposit for us, especially since the Mayor had given a
3 directive to the permit center to streamline the process
4 and make it as simple as possible. They said no. So for
5 the first year we created our own database and took
6 deposits at my office.

7 Fortunately, we had on the bottom floor a billing
8 function. That was really challenging for us, because we
9 don't normally do billing. So we had to abide by all the
10 financial rules that our Financial Department gave us a
11 four-inch thick manual on. So that was sort of a real
12 indoctrination into the financial management process for
13 the city.

14 Fortunately and unfortunately, the builders --
15 some people pulling permits got very unhappy they had to
16 walk back and forth across the street. We're not in the
17 same building as the permit center. And they complained
18 about it. And the folks in the permit center said, "Hey,
19 we've got an idea. Why don't we take the deposits here?"
20 Great. Let's see how we can make that happen.

21 Now, the other challenging part is in San Jose
22 we're the self-proclaimed capital of Silicone Valley. I
23 don't know who came up with that. But we believe in the
24 use of technology, and yet we're so far behind a lot of
25 other people. But they had this very complex permitting

1 system. There are codes for every single possible job out
2 there. And we had to work with them to identify our
3 projects and sort of dovetail those into any particular
4 code they could come up with. So now when somebody comes
5 in for a permit and they fill out the application with the
6 permit staff, all that is automatically coded into the
7 system. And it comes out as one line item on their
8 permitted receipt that said CDDD solid waste deposit. So
9 they know they've paid a deposit. It's been automatically
10 calculated.

11 It takes lot of the work out of it. At our end,
12 when we were taking the deposit, we had to go by whatever
13 the customer told us. "We're doing a 1500 square foot
14 remodel." Okay. That's this. Well, we found that they
15 don't always give us the right information. And they'd
16 get across the street and the folks there would say,
17 "We'll go ahead and accept that. You've got a clearance
18 from the Environmental Services Department." But we found
19 once they started paying their deposits at the permit
20 center, all those calculations were done automatically for
21 them, and their deposits went up considerably.

22 But they're still getting their money back, of
23 course. But the outlay is a little bit higher initially.
24 The majority of the deposits, I'd say, fall in the \$500
25 neighborhood and up. We have had some deposits as high as

1 50,000, I believe it is. Target Corporation did two
2 remodels in San Jose, and they gave us 50,000 for each
3 one. I made sure I thanked them for that. But, of
4 course, they did a great job recycling. And even the
5 woman from Target in Minnesota knew what was going on in
6 San Jose, and I made sure I thanked her as well. And they
7 did a great job of recycling.

8 MS. GRAY: Please hold on to the microphone.

9 Thank you.

10 Our next question. You may have answered some of
11 this already. Let me read it for the webcast, please.

12 What have you learned and changed as the program
13 has been implemented?

14 MR. BANTILLO: We discovered early on when we
15 were taking the deposits in our office that there were
16 some additional projects. We initially established some
17 exemptions for the program. But we thought there was some
18 projects out there that didn't generate a lot of materials
19 in the first place, or materials that weren't getting into
20 the landfills. Say, you know, swimming pools. It's an
21 excavation of dirt. People aren't really burying dirt.
22 They're using it for landfill cover. We weren't too
23 worried about that.

24 But a number of things that we added as
25 exemptions that would be -- because this is the permit

1 center, calculating on everything they take in. Stuff
2 that's manufactured off site, like awnings or sign posts
3 or other building signs, things like that. So we did
4 create some additional exemptions there.

5 One of the other things that we learned, of
6 course, is that the roofers are probably -- I don't want
7 to say the most vocally -- I could just say obnoxious. We
8 met with them early on, as I mentioned. It was a good
9 thing, because we were going to just assess a square foot
10 charge on all their projects. It made sense. They were
11 very opposed to that. And we said, okay, \$100 flat rate.
12 When the city got its technology in gear and finally was
13 able to do the on-line permitting process, we instituted
14 the \$100 flat rate deposit, and all the roofers were
15 pretty upset about that. It was only \$100, when it could
16 have been only over \$2,000. They didn't care.

17 So the biggest challenge for us right now, I
18 think, is from an administrative perspective. Again, when
19 that roofing deposit came on line, the amount of refund
20 requests that we have to process has gone up considerably.
21 There's me and one other dude working on the program to
22 process these refund requests.

23 And looking at, again, more conversations with
24 the roofing industry and our processors, by and large the
25 roofing industry does not travel very far with their roof

1 tear offs. They don't have time for it. They don't have
2 the money for it. They're going to get rid of it at the
3 closest place they can. And we've got 22 certified
4 facilities in San Jose. I think about six of them can
5 handle roofing loads.

6 And, again, in conversations with roofing folks,
7 they're telling us they're already using those places.
8 They don't take it out of town. I've had one conversation
9 with a gentleman who wanted to dispose of it somewhere in
10 the north bay. I said he was welcome to do that, but he
11 wouldn't get his deposit back.

12 But we're going to seriously consider this
13 roofing deposit, considering what the infrastructure is
14 already performing and diverting these materials, that
15 maybe we don't need to add to our administrative workload
16 as well as their headaches.

17 There's some big roofers. A lot of them are also
18 mom and pops. The big contractor's out there doing the
19 roof. His wife is at home doing the paperwork on the
20 kitchen table. You know, it's frustrating for them. It's
21 frustrating for us. I think that's something we're going
22 to make a change on hopefully in the near future.

23 MS. CLARK: What have we learned and changed?
24 There's a tremendous number of roofing projects in our
25 city. I think that was probably the most startling thing,

1 was that the bulk of our projects in our city are roofing.

2 And, you know, there is a real issue also in our
3 city. We don't have facilities that we can direct the
4 roofers to go to. If I can't find a facility for them to
5 go to, there's no way we can require them to adhere to the
6 ordinance requirement.

7 In an ideal word, I'd like to say we'll have
8 staff dedicated to working with the roofing industry and
9 some recyclers in the area to come up with an outlet for
10 these roofers and for the roofing materials. In reality,
11 it's -- you know, solid waste management is one-third of
12 my job duties. And I have a part-time intern, and we just
13 do not have the staffing and resources to dedicate to
14 doing that.

15 The other big challenge has been we need to have
16 a mechanism -- and I mentioned this earlier -- for our
17 building division to notify us when a project is complete.
18 They're great. We have a box on our counter. When people
19 fill out the Part 1 forms, they put them right in our box.
20 We collect them and review them. Part 2 forms go in
21 there, too. The problem is when we don't get the Part 2
22 forms back, we don't know is that because the project
23 hasn't started yet? As I mentioned, permits can stay in
24 our city for up to three years.

25 So my new intern I've now delegated the task of

1 really working with building to come up with what's going
2 to be the most efficient solution. Do they want us to
3 give them a monthly list of outstanding projects? Do they
4 want to, when they sign off on the permit, make a
5 photocopy of that and put it in the box for us? We're
6 still trying to decide what the most simple, most
7 efficient alternative is going to be.

8 MR. MERID: As far as learning experience, we
9 learned how creative contractors can be in claiming
10 diversion. That was one of the first things. So we
11 restricted it as to what counts as diversion.

12 Also we also found out that construction
13 demolition is actually a smaller portion of our waste
14 stream than we thought. It's actually about closer to 11
15 to 13 percent. And most of the self-haul is actually the
16 landscaping and landscapers taking their self-haul to the
17 landfills. So it pointed out some things that we didn't
18 know initially.

19 What we've changed is the forms. The forms were
20 kind of complicated at first. And what I found was that I
21 was having to explain how to fill out the forms three
22 different times for the same project. Because, initially,
23 we have someone pull the permit, and that's a totally
24 different person than the developer or the project
25 manager. And then also you would have to explain it all

1 over again to the contractor who's actually out there
2 doing the work and making sure that the waste is allocated
3 in the proper place. We simplified the forms and made it
4 almost -- I wouldn't say idiot proof, but it's pretty
5 close to idiot proof. And that helped out a lot. So
6 those are some of the things we've changed in our
7 experiences.

8 MR. WORRELL: For us, it's really you have to
9 keep it simple and you have to support the people. That's
10 kind of our role of the regional authority. For example,
11 the concept of certified facilities is something that came
12 along after we did the first ordinance. And by making it
13 so simple, you know, you use this person, we were able to
14 make the builders and the building department people's
15 lives that much easier.

16 And you'd love my form. You know, anybody that
17 works in government loves forms. So every quarter we send
18 a form out to each of these certified facilities. Three
19 items: Tons received, tons recycled, tons landfilled. It
20 couldn't be easier.

21 Now, of course, we do on-site inspections. And
22 you go to their sites, you can tell whether or not they're
23 recycling the material.

24 So we've tried to just really be supportive and
25 keep it simple for the people that have to live with this

1 system.

2 MS. GRAY: Thanks, Bill. If you would hold onto
3 the microphone.

4 Next question, how did you determine the
5 threshold for your ordinance and the diversion
6 requirement?

7 MR. WORRELL: Well, as you recall, the threshold
8 was a \$50,000 or higher construction project. We did that
9 because that eliminates all the roofing contractor
10 projects out there so we don't have to deal with roofing
11 material. It also -- a lot of the remodels, the bathrooms
12 and things like that people do themselves, we really
13 didn't want to get them involved with this system.

14 And then the 1,000 square foot demolition
15 project, we were originally going to use a dollar amount
16 for demolition, but demolition can be pretty inexpensive
17 and can generate a lot of material. So that's why we
18 switched to 1,000 square feet on the demolition side.
19 And that worked out real well.

20 And then the diversion requirement, 50 percent
21 was a no-brainer. We basically said state law requires us
22 to meet 50 percent. We're asking all the other waste
23 generators to meet it. So we're going to ask the same
24 thing of the construction and demolition industry.

25 And I did have a spreadsheet for like 15

1 different types of projects. And they ranged from a low
2 of 57 percent to a high of about 88 percent, depending on
3 whether it was a commercial remodel or single-family home
4 new project, so that's basically the range we've seen in
5 all the different types of projects.

6 MR. MERID: Initially, when the ordinance was
7 first drafted, we had a pretty low threshold. I think it
8 was 1,000 square feet, any demolition or construction
9 project. Equal to or greater than 1,000 square feet and
10 projected costs of \$20,000. But as Bill said, we would
11 capture a lot of the roofing projects, a lot of simple
12 patio covers, and little minor projects that we really
13 weren't interested in dealing with.

14 So after a couple workshops with invited
15 contractors and developers, as well as material haulers,
16 we came up with a threshold, which is 5,000 square feet in
17 either demolition or construction, and \$50,000 in
18 projected costs.

19 However, for projects that don't meet these
20 thresholds, we do have a volunteer recycling form. It's
21 not really tied into the issuance of a permit, but I would
22 say 80 percent of the applicants who do not meet this
23 threshold actually volunteer to fill out the voluntary
24 recycling form.

25 MS. CLARK: When we were researching our

1 ordinance to develop it, we had a planning meeting with
2 our development services director and our building
3 manager. And I was surprised, because our development
4 services director was surprisingly supportive of this
5 program. He actually ultimately wants us to see having a
6 75 percent diversion requirement. He did think we should
7 start with the 50 percent, mirror the state legislation,
8 see how it was going, and then at a later date possibly up
9 the threshold to 75 percent.

10 We really relied on our building manager and our
11 development services director to pick the square footage
12 threshold, and they did pick 1,000 square feet, pretty
13 much for the same reasons. We didn't want to get every
14 roofing project, every minor remodel.

15 And, finally, on our performance bond
16 requirement, our city attorney actually had recommended a
17 \$10,000 performance bond for first-time applicants. We
18 ended up with \$250 the second go-around. We give them a
19 chance the first time someone pulls a permit.

20 The problem in Monterey Park is the people
21 pulling permits in our city are not necessarily repeat
22 people. They usually come in for one permit. So having a
23 performance bond for the second time around if they fail
24 to comply with program the first time around is not the
25 greatest incentive in our city. And, eventually, we will

1 be doing an ordinance amendment to add in these new
2 nuances when we figure out what they're going to be.

3 MR. BANTILLO: Our threshold wasn't really
4 established based on policy directive or wisdom handed
5 down from on high. It was really more an issue of
6 practicality. In San Jose there's anywhere from 10 to
7 12,000 permits per year we would have to deal with, which
8 again from an administrative perspective, that's quite a
9 bit to handle.

10 So based on an economic study that we had done --
11 an economic firm and a solid waste firm looked at
12 specifically the number of permits in a particular year
13 and the types of permits that were done and the dollar
14 valuations and the amount of waste tons associated with
15 those permits and said, what happens if we lopped off the
16 bottom 20 percent? What would the dollar value be if we
17 lost that? And how much would we lose in tonnage?

18 They estimated we would only lose about 1.4
19 percent of all the C&D tons. Reducing our workload by 20
20 percent seemed like a pretty good bargain for us. The
21 threshold ended up being \$2,000 for residential
22 alterations. Anything below that is exempt. And \$5,000
23 for a commercial alteration, which is considered a tenant
24 improvement or finish interior for some of the projects.

25 There's also a cap. Again, this is based on our

1 stakeholder work with the Home Builders Association. The
2 developers did not want to be on the hook for every single
3 house they do, if they're doing a really large
4 development. I think we've got a cap of 100,000 square
5 feet. So once they reach 1,000 square feet, paying
6 deposits on that for their project, the deposit calculator
7 turns off. Our perspective on that as well as theirs is
8 that once they establish some kind of a management
9 practice, they're not going to change midstream and bring
10 someone else in and start throwing this stuff away now.

11 Again, looking at infrastructure that we've got
12 economic-wise, economically, folks are going to keep it in
13 San Jose for the most part. And it's not going to leave
14 town, and it's going to get processed at our facilities.
15 It made sense for us to lop off that 20 and end up with
16 those thresholds.

17 One of the things we did find out, of course, is
18 through the economic study they thought maybe 3 percent of
19 the deposits would go unclaimed based on the results of
20 our recent survey. They were right. Three percent are
21 going unclaimed. However, there's a total of 40
22 percent -- I should say 3 percent unclaimed because
23 they're choosing not to get their money back. There's a
24 total of 40 percent of these folks who haven't claimed
25 their refunds yet.

1 We don't have a three-year time line specifically
2 on how long a permit can last, besides 180 days, or they
3 have to keep their permit active within a 180-day period
4 or it will expire. And we're going to look at changing
5 our Municipal Code to require that they apply for a refund
6 or do something to keep that permit active for the 180-day
7 period. If they don't, then the money will automatically
8 go to fund balance, again relying on the technological
9 side.

10 We're going to try to put some kind of a tickler
11 into the system that will allow us to run word merge and
12 send these folks letters telling them if they've got
13 deposits sitting at the city.

14 But, again, order of magnitude -- Bill's got the
15 old number, and the new number I told this morning.
16 There's about \$6.8 million in unclaimed deposits right
17 now. So the city is earning interest on it. And, no, we
18 don't pay interest to the depositors on it. They ask, but
19 we don't pay them. And so we're working on a process to
20 make sure that we're notifying these folks to get their
21 money back to them.

22 The measure of success for this program is not
23 how much money we make. It's how much money we give back.
24 So far, we haven't officially rejected anybody's refund
25 request. There's been probably a couple dozen where the

1 folks needed additional information to provide, which they
2 haven't done yet. But, unfortunately, this money is just
3 sitting in this account growing and growing, because we
4 don't have a mechanism to turn it off and move it into a
5 revenue account to support the program.

6 MS. GRAY: You can help with the state budget.

7 The final question for this panel. How do you
8 verify compliance with your diversion ordinance, and who
9 is responsible for making the verification?

10 Stephen.

11 MR. BANTILLO: I mentioned earlier that we have
12 another staff person besides myself who processes these
13 hundreds of refund requests that we get every week. The
14 general idea is you look at the receipts. There's volumes
15 on it. There would be some code on how the material was
16 handled at the facility. There's also tonnages based on
17 the work we've done with our permit center, and we have
18 access to their database in our office. We have a
19 separate folder within the refund folder. And a
20 consultant set it up for us so we can put those numbers
21 into the system. It will automatically calculate the
22 percentage of the refund. Either they get the whole thing
23 or they get a part of it based on the volumes or weight.

24 So far, because we don't believe that our system
25 is as accurate as it could be, because we haven't

1 extracted all the data from it yet, haven't done the
2 analysis on these thousands of deposits we've taken, we
3 aren't rejecting anybody's refunds if we can tell they've
4 made an honest effort to get the materials to a recovery
5 facility or provide some documentation to us that they've
6 salvaged the materials, tried to reduce on site, or
7 provided those materials for the construction projects.

8 So really, I guess, the buck stops with me. I'm
9 the guy with the rubber stamp and the one who signs off on
10 all the refund requests.

11 Compliance, again, is based on, so far, their
12 honest efforts. At some point we'll be able to do a
13 recalibration of the system, the numbers that we're using
14 right now, to come up with what percentage they've
15 attained. And diversion is based on an EPA report that
16 was done -- I believe it was released back in 1998 on sort
17 of characterization of construction and demolition waste
18 and the types and amount of materials you'd get from
19 various projects. We've plugged those numbers into our
20 system to do those calculations.

21 MS. CLARK: In our cities, our Public Works
22 Department, specifically me and my intern, are responsible
23 for verifying compliance with the ordinance requirements.
24 We do have a provision in our ordinance on the Part 2 form
25 if they didn't meet the diversion goal, we do send them a

1 letter notifying -- we haven't had to do this yet. We do
2 have it set up we would send them a letter notifying them
3 they didn't meet the diversion requirement. And we give
4 them a two-week opportunity to respond to provide either
5 additional documentation, or perhaps it was a waste
6 material that really needed to be exempt from the program
7 because there was no facility to take it. But as I
8 mentioned, we haven't had to do that yet.

9 MR. MERID: And like Tina, I also do all the
10 verification. Basically just looking at weight tickets
11 and matching them up, diversion versus landfill. That's
12 pretty much it, really.

13 MR. WORRELL: In two of our cities, the building
14 departments do the verification. In the city of San Luis
15 Obispo, it's the community diversion group, the solid
16 waste group does it in that city.

17 I should point out about over 80 percent of the
18 people in our three cities are using certified haulers, so
19 essentially, there is no verification because we do that.
20 And our office is the experts that come in when there's a
21 problem. For example, San Luis had a 50 home subdivision
22 where they used a cleanup crew instead of one of the waste
23 haulers, and the cleanup crew didn't keep the receipts.
24 So think about 2 percent of 50 homes. I now have my
25 house. You know, one house was a fine for that developer.

1 But we were able to go back through the records at the
2 landfill and determine they did, in fact, send over
3 50 percent of the waste to the C&D facility and not into
4 the landfill. So that's how we handled it there.

5 And, finally, we do have our ordinance, those
6 plans I showed you, plus a staff report on disk for you.
7 I am doing a new base year. These are at least one ton
8 each. And I will take credit for that if you take them.

9 (Applause)

10 MS. CARDOZA: Thank you very much, all of you.
11 It was really -- I was fighting this compulsion to take
12 notes. It was great information.

13 What we'd like to do now -- we're a little bit
14 ahead of schedule. So we'll give you a 15-minute break.
15 So if you can be back here at five 'til, and then we'll
16 start with Panel 2.

17 And, again, the questions -- there will be a Q&A
18 after Panel 2. And hopefully by then all the mics will be
19 working, so you won't be passing it around.

20 And, again, the rest rooms, straight out to the
21 left. And there's a hallway on the left. And the
22 cafeteria is down the steps. As you walk down, it's kind
23 of right below where we are.

24 (Thereupon a recess was taken.)

25 MS. CARDOZA: We're going to get started. We're

1 going to start with a two-minute video at a C&D facility.
2 And Mike Hammer will give a brief little introduction for
3 it.

4 MR. HAMMER: Good morning. It wasn't really my
5 intention to show it to all of you. I brought it up to
6 show the Waste Board members. We built a new C&D
7 recycling facility in downtown L.A. with the help of a \$2
8 million RMDZ loan that the Board gave us a year ago. And
9 so we put just a little two-minute video together to show
10 the Board members and say thanks, because it's now in
11 operation.

12 And we had a little technical difficulty on the
13 DVD player yesterday. So they suggested showing it at the
14 workshop today. So we're able to process 1500 tons a day,
15 and our diversion rate is about 80 percent right now.

16 (Therefore upon a video presentation was played.)

17 MS. CARDOZA: Thank you, Mike, for sharing that
18 with us.

19 Okay. We're going -- and I guess I should maybe
20 go over to the other side of the room. We're going to
21 start with our second panel. And we have five experts
22 from the industry related side of C&D diversion who have
23 all graciously accepted our invitation to share with you
24 today their expertise and perspectives on C&D diversion
25 ordinances.

1 And the panelists are Joe Garbarino, who is the
2 Chairman of the Board for the Marin Sanitary Service;

3 Kelly Ingalls, who is the founding Regional
4 Director for the Construction Materials Recycling
5 Association of Southern California;

6 Berger Jostad, I think, President of Viking
7 Demolition Corporation, representing the demolition
8 industry;

9 Rob Hammon, Vice President of Consol and
10 representing the California Building Industry Association;

11 And Constance Hornig, who will be talking about
12 C&D franchise agreements.

13 And, again, we've asked each panelist to make
14 about a five-minute presentation. And then we'll ask each
15 of them a set of questions. And at the conclusion of this
16 panel, we'll call all the panelists up to the front of the
17 room so we can have a Q&A section for everybody.

18 And our first panelist is Joe.

19 MR. GARBARINO: There we go. Thank you very
20 much.

21 Well, it's an honor and a privilege and pleasure
22 to come back to the state over here. I got my first grant
23 back in 1980 to provide the first county-wide curbside
24 program picking up bottles, cans, and papers in the
25 United States at the time.

1 Then, in 1987, I built a MRF, just like the one
2 you just saw, a beautiful one, by the way. And I
3 congratulate them. And we've been -- since we started in
4 '87, we were doing about 25, 30 percent recycling. And
5 recently up until '91 -- or rather '02, we hit the
6 diversion rate of 74 percent. We collect over 300,000
7 tons. We take and recycle 200,000 tons, and only 100,000
8 roughly goes to the landfill.

9 But we've got major problems now. And the major
10 problems are that, as part of what we're talking about
11 here today, we're talking about model ordinance for C&D.
12 You've got major players, and those major players are the
13 dumps. And if the dump is offering lower prices than you
14 can bring this material to a MRF, you can talk all you
15 want about model ordinances. And unless you have it in
16 concrete that you can't take it out of the particular city
17 or county, they're going to go to that common denominator
18 out there and bury it in a hole.

19 And what's happened is there's a war going on in
20 the two dumps that are in my area, at least in the Bay
21 Area of California. And they've lowered their rates so
22 low that, economically speaking, the people hauling the
23 debris are hauling it to that hole in the ground. And we
24 have been -- we've lost probably in the area of 25 or 30
25 percent in the diversion rate. And I'm so ticked off

1 about all this that I'm no longer giving any statements to
2 the county liaison officer. I'm not giving any statement
3 to the cities that I service, eleven in Marin County. And
4 I'm no longer giving any records to the state of
5 California, so no one at least will know what's going on.

6 I know what's going on. I'm in the trenches.
7 I'm with fix bayonets. I'm out of ammunition, and I'm
8 going to stab the first three guys that come by. And
9 that's the rest of it.

10 So this is a very serious item. And I've learned
11 a lot here this morning. And I'm pretty grateful to be
12 here, because I disagree with some of the things I've
13 heard this morning. Like, you know, if you come in with
14 500 square feet, you don't have to apply for whatever you
15 need to apply for the permit. You should bring it all in.
16 If you're tearing down the back stairs or the porch, bring
17 it all in. We have the university of -- not the
18 university, but the University -- Dominican College
19 University of San Rafael. Unfortunately, they were
20 painting it five or six years ago, and the fifth floor
21 caught fire, and unfortunately the nuns decided to tear it
22 all down.

23 Well, Rosalie here this morning said that you can
24 get maybe from C&D 12 to 15 percent. We recycled
25 100 percent of that college. It was made out of wood. We

1 took the wood out, the nails, the concrete, the bricks.
2 I'm still selling bricks at 50 cents a piece from that
3 college. So the C&D, in my opinion, is very important if
4 you want to keep 939.

5 I think 939, the way things are going, is going
6 to be history. Nobody is enforcing it. And if you're not
7 enforcing it, why should I put millions of dollars out,
8 accept all the 600 people a day, all my debris boxes and
9 pay the price it takes to recycle. We're talking cost
10 factors here. It takes a lot more money to have 60 people
11 in the plant sorting this material by machine and by hand
12 versus taking it to a landfill for 20 bucks. At my place
13 you have to pay \$59. And I'll get you 74 percent now, if
14 you do that. And if you don't do that, then we've lost
15 all we're talking about here. We've come a long, long
16 ways.

17 And when Byran Shurer came to my place in the
18 early '90s and said, "Joe, do you think you can ever get
19 to 50 percent?" I knew where I was going. I says, "50
20 percent, I'll get there with my eyes closed. I'll be
21 there in the next year or two." And we made it up to 74
22 percent. So it can be done.

23 And most people can do it. We can't all do it in
24 the state of California. But certainly in the areas that
25 we live in with large cities around, you can do it.

1 I applaud the statement that I got this morning
2 from Fresno, and Fresno -- the county of Fresno just
3 brought out a ban. You can't take demolition disposal to
4 a landfill site anymore. The only thing that they left
5 out -- and I'm going to write to them -- is if you can't
6 take it to the landfill, make sure you can't take it out
7 of the county either. Because then you've defeated your
8 purpose. You've got to keep it within that county and
9 recycle it right there. Don't rely on somebody else to do
10 it for you.

11 And I could go on and on, but I think I've said
12 practically all that I want to say. If there's any
13 questions and answers later, I'll try to answer them. And
14 I'd like to thank you very much.

15 MS. CARDOZA: Thank you, Joe. That was great.

16 And our next speaker on this panel is Kelly
17 Ingalls.

18 (Thereupon an overhead presentation was
19 presented as follows.)

20 MR. INGALLS: Thank you.

21 I am the Regional Director of CMR since 1998.
22 And our organization that's based in Southern California
23 includes stakeholders that are the C&D recyclers, both
24 source separated and mixed debris recyclers, construction
25 and demolition contractors, and industry associations,

1 such as National Association of Demolition Contractors,
2 Southern California Contractors Association. We work with
3 the haulers, local government representatives, and
4 equipment manufacturers. We're actually the ones that
5 founded CMRA nationally back in the beginning.

6 Our mission is to support C&D recycling and
7 markets for end products, both ends of the equation there.
8 And we do have a website that is CMRA -- that's not the
9 one -- cmra@socal.net. And you can get information on
10 that. And you can register for our quarterly luncheon
11 meeting and also joint CMRA by going to our website and
12 getting information on our resources.

13 I was asked to talk about the experiences that
14 I've had through CMRA in working with C&D ordinances --
15 and I'm sorry if I'm not working too well with the mic.
16 The experience has been in two areas. One is where I've
17 actually under my consulting firm have worked with
18 localities for assistance.

19 One of them was the city of Hawthorne when it was
20 under a compliance order. This is back in 1998. And I
21 held -- Hawthorne put the C&D ordinance together. And one
22 of the lessons learned from Hawthorne was that we
23 established that the threshold will be any project over
24 10,000 square feet or larger. And the deposit up front
25 was \$250, and that was because of, again, political

1 atmosphere in Hawthorne at that time. Immediately,
2 Hawthorne found out that most of the facilities they
3 wanted to reach were about 5,000 square feet and larger.
4 And the whole point of this is it was hard to go back to
5 their City Council and change that after the fact.

6 So one of the things that came out of that
7 experience is, if possible, to allow the city engineer or
8 some other authority to be able to change some of the
9 compliments of the ordinance without going back through
10 the whole procedure of going back to City Council. And I
11 would highly support and recommend that.

12 The other area I've had an opportunity to work
13 with in direct working with localities has been to provide
14 technical assistance. And through CMRA of Southern
15 California, there is a paper that's called "Local
16 Government Policies and Practices for C&D Reuse and
17 Recycling" that discusses all of these issues we've been
18 hearing about today and what are the considerations as
19 you're putting together an ordinance.

20 It's interesting to note when that paper came out
21 and started in 2000 and continue to update it -- that's
22 the main CMRA page there on the screen. There are eleven
23 localities that we have, such as Alameda County Waste
24 Management District and city of Santa Monica that had at
25 least drafted ordinances or had ordinances. You can go to

1 the Integrated Waste Management website and download them.
2 Now today there are 142 ordinances that are under
3 development that are either in place or are going to be
4 developed. So there's been a dramatic change in the
5 number of C&D ordinances.

6 A lot of what I was going to talk about today and
7 had planned to talk about has been really well covered
8 by the other speakers, and I thank them for doing that. I
9 will not cover that. The few things that come out of the
10 observations that I think are in the larger sense a lot of
11 the nuts and bolts have been covered that I wanted to
12 touch on.

13 And one of them, as was mentioned, is that as
14 you're developing a C&D ordinance, you need to know the
15 local infrastructure. Obviously, in Southern California,
16 we're blessed with mixed C&D recycling and source
17 separating. We have quite a good recycling
18 infrastructure. Up here in Fairfield -- I have a project
19 in Fairfield that has less of it. So it's harder to talk
20 about the same thing when you're in different areas. Even
21 the Bay Area is a lot different than Southern California
22 in terms of C&D recycling. So it's not only enough to
23 know the infrastructure, you also have to expand it.

24 And what I mean by that -- and I am sorry if I'm
25 going to kind of a bad example. I was with the city of

1 Los Angeles. And after the North Ridge Earthquake, we had
2 2 million tons of debris that needed to get recycled in 18
3 months. We went about from 1500 tons a day of mixed
4 processing capacity at the beginning of the program to
5 10,000 tons a day of capacity by the end of the program 18
6 months later by going to places like Community Recycling
7 and other organizations and finding a lot more places that
8 can take crushed asphalt and concrete. And that change
9 was done in 18 months. So this is the same kind of thing
10 that's going to happen with 142 C&D ordinances going into
11 effect. You have to grow the infrastructure.

12 The other point is to look at developing
13 innovative technologies. I know that's some nice buzz
14 words. But what I mean by that is an example out of
15 Atlanta, Georgia, where Hedgewood Homes grinds up all of
16 the new construction waste coming off of these very large
17 expensive housing developments and uses them as mulch so
18 they can plant, you know, the grass and the landscaping.
19 And they save the developer, Hedgewood, about \$100,000 out
20 of the first year, and it grew there by using a grinder on
21 site.

22 I was recently in Phoenix where I was looking at
23 these 40 cubic yard rollofs full of wood, and I'm
24 thinking, you know, I wish I could call someone and
25 introduce them to this and save them a lot of money. And

1 not only in the mulch on site, but putting in the
2 landscape materials.

3 The other one is the market development component
4 of AB 939 that needs to be looked at in terms of how
5 localities are responding to AB 939. Not only in their
6 diversion, but in their market development component. One
7 of the biggest complaints or issues that gets brought into
8 our quarterly meetings is from the crushed miscellaneous
9 base manufacturers, the providers that make us recycled
10 aggregate. They come in and say they're making all of
11 this aggregate, but there are localities in Southern
12 California, and they have a bad boy list of about eight
13 localities by name that will not allow C&D to be used
14 there.

15 And it's not only the issue of crushed
16 miscellaneous base, but it's wood and other types of
17 materials that need to be developed. The really important
18 thing to look at as the C&D ordinances are going into
19 effect is not only the infrastructure and not only the
20 innovative technologies, but what is going to happen to
21 the end market? What kind of conditions are they in now?
22 And where do they need to go to take the additional
23 capacity?

24 One last thing is that in a meeting with NADC,
25 National Association of Demolition Contractors, where I

1 spoke a month or so ago, one of the members who is one of
2 their very vocal members, mentioned they are starting to
3 work with Association of General Contractors of California
4 to establish a prevailing wage for the class of recycler.
5 One of the complaints you'll always hear is because of
6 prevailing wage, recycling cannot happen. It's too
7 expensive to do in order to do architectural salvage and
8 salvage of wood and other types of materials.

9 They are working to get a prevailing wage rate
10 for recyclers, which would not only enhance recycling,
11 expand recycling, but create a job market for laborers
12 that want to go into that type of work.

13 And with that, I think I've covered a lot of the
14 larger picture. I haven't gotten into the nuts and bolts
15 as much, but I think's what is coming from our membership
16 and is going to be kind of a reverberating theme as these
17 C&D ordinances continue to grow.

18 MS. CARDOZA: Thank you, Kelly.

19 Our next speaker is Berger Jostad with the
20 demolition industry.

21 MR. JOSTAD: I'm Berger Jostad. I'm with Viking
22 Equipment Corporation. We're demolition contractors in
23 Southern California. We've been doing this for about 40
24 years. At one time, we even had a salvage store for about
25 seven years during the late '70s. Quite for the obvious

1 reason we were losing money on it. I've served on the
2 Board of Directors of the National Association of
3 Demolition Contractors.

4 I left a handout in the back that illustrated
5 three different sites and how much was recycled on those
6 three sites. I had a couple reasons for that. One of
7 them was although there's close to 200 different cities in
8 our work area and we do about 200 different projects a
9 year, those are the only three that ever asked for a
10 report. And it kind of illustrates how much ignorance is
11 out there about what is being recycled.

12 I have no doubt that the figures that have been
13 quoted earlier about what's going into the landfills are
14 reasonably accurate, because they can keep track of that.
15 Most people and most municipalities have no idea what's
16 being recycled, other than what they hear from
17 conversation. I think it would behoove anybody to, before
18 they get too excited about imposing standards on people,
19 to find out what really is being recycled.

20 Transportation and disposal is approximately
21 three-quarters of the cost of the demolition job. And
22 it's our interest and always has been for centuries.
23 Demolition contractors have tried to avoid paying to
24 dispose of things. There are certain things you can sell,
25 obviously, metals, some used brick.

1 In Southern California, we're able to recycle a
2 lot of lumber that gets shipped to Mexico. There are
3 other things that it still costs us, but it costs us less
4 to haul to a crusher to make crushed miscellaneous base.
5 And almost all of the concrete now in Southern California
6 is being crushed into base. This is something that the
7 equipment that's been used in the last 10 or 15 years has
8 changed that dramatically. When we first went into
9 business, all of the concrete went into landfills.

10 One problem that I visualize is the idea one size
11 fits all. There are certain kinds of projects. You can't
12 recycle what isn't there. And on industrial and
13 commercial sites, you usually have a lot of concrete. You
14 can easily meet that 50 percent, and you may get up to
15 90 percent. On a lot of residential projects, there just
16 isn't much there that can be recycled. And they're -- in
17 the sample ordinance there's a method to go through to get
18 exemptions and such. But I question whether all of the
19 200 cities in our area have people that have the expertise
20 in the city offices -- from hearing from the other people
21 here, most of them are understaffed -- that can understand
22 who to give exemptions to and who not.

23 Another thing we've had problems with on a few
24 cities that have set up recycling ordinances have been
25 franchise haulers. There are some handful of cities in

1 Southern California that have insisted that even
2 demolition debris be hauled by the franchise hauler. And
3 this may work very well for other things, but it doesn't
4 work in demolition. Too much of our cost is tied up. And
5 the minute you get a hauler who knows he's going to do the
6 work and you have no control over him. And I left a
7 letter that I had written to the city of Monrovia
8 regarding that problem. They, in their wisdom, have
9 revised their ordinance to accept demolition from the
10 franchised haulers.

11 The other problem that Kelly just referred to is
12 the problem of prevailing wages. The actual cost for a
13 typical demolition laborer in Southern California is in
14 the mid-teens, around \$16 an hour. When you get on a
15 prevailing wage job, the prevailing wage that's imposed on
16 you, which essentially is union wage -- I think there may
17 be two union contractors in Southern California that do a
18 little bit of demolition work. The rest of it is
19 non-union. But on the prevailing wage projects, your cost
20 runs over \$40 an hour. That obviously has an effect on
21 the economics on recycling, source separating.

22 And you can drive down the street, and if you've
23 been in the business, you can look at how a job is being
24 done and tell whether it's a Public Works job or a private
25 work job just by the methods that are used.

1 One part of recycling that never gets mentioned
2 in this is the reason demolition contractors exist, and
3 that is to recycle land. The only reason demolition
4 projects take place is because somebody wants that land
5 underneath, either a public agency or private developer.
6 And that's why we're in business, to provide that land for
7 future use of other sorts.

8 That's all I've got to say.

9 MS. CARDOZA: All right. Thank you, Berger, for
10 that.

11 And our next speaker is Rob Hammon representing
12 the building association. And you have a Power Point?

13 (Thereupon an overhead presentation was
14 presented as follows.)

15 MR. HAMMON: I do.

16 Good morning. I'm Rob Hammon from Consol. I'm
17 here representing the Building Industry Association.

18 Just to give you a little background on who we
19 are and what we're doing, California Building Industry
20 Association is the major association representing
21 production builders in California. So about 75 percent of
22 the homes that are built in California are production
23 homes represented by members of the California Building
24 Industry Association.

25 That Association has a research and educational

1 arm called the Building Industry Institute, or BII. And
2 Consol, my company, does work for both CBI and BII. We're
3 technical experts mostly in energy, but in resource
4 efficiency as well. So they've asked me to come and speak
5 for them today.

6 What I wanted to cover was a voluntary program
7 that we've produced for energy efficiency that's been very
8 successful in California and, I think, provides an
9 alternate model to an ordinance. It's a different
10 approach. Rather than mandating things, there are ways to
11 encourage people through voluntary programs to get them to
12 do things that we want them to do.

13 One of the benefits this approach has is when you
14 have an infrastructure that's underdeveloped, I think
15 that's the case here, that if you design a voluntary
16 program properly, it can encourage the development of the
17 infrastructure on such that it works well in the
18 commercial environment.

19 The program I'm talking about as a model is the
20 Community Energy Efficiency Program that's been developed
21 and promulgated by the Building Industry Institute. It
22 was developed by an advisory group of stakeholders, those
23 being builders, building officials, National Resources
24 Defense Council, CIWMB, others, and we currently have
25 about 80 participating local governments. They encourage

1 builders to build above code.

2 And the way they do that, they give benefits back
3 to the builders. Those benefits all tend to represent
4 time savings for the builders, which is dollars.
5 Everything comes down to dollars, as a couple of the
6 speakers have already said. The general approach is to
7 produce a time savings through faster plan review or
8 priority field inspections. I'm not sure what the
9 equivalent thing might be in a waste diversion program,
10 but it has to come down to cost somehow.

11 Waste diversion is -- I'm sorry. I'm supposed to
12 be flipping this. That's the background on the building
13 industry and myself.

14 --o0o--

15 MR. HAMMON: That's the Community Energy
16 Efficiency Program.

17 --o0o--

18 MR. HAMMON: Waste diversion is an issue for
19 builders, obviously, as a result of these ordinances. And
20 there's a role that new construction plays in waste
21 diversion. A comment was made recently or by the last
22 speaker that residential doesn't have much impact. That's
23 existing residential. In new construction, there is a big
24 impact. If a builder were to, in a production
25 environment, that is, subdivision building, were to divert

1 or recycle the wood, drywall, cardboard, and cement waste
2 from the project, that's about 75 percent of the waste in
3 either volume or weight from the project. So it is a big
4 deal.

5 So as a result of this, the Building Industry
6 Institute has developed a program called the California
7 Green Builder Program, which we hope to become as
8 successful was the Community Energy Efficiency Program,
9 and have local jurisdictions adopt it similarly to the way
10 that they have the Energy Efficiency Program.

11 --oOo--

12 MR. HAMMON: This is a description of the
13 California Green Builder Program. It's got four
14 components, one of which is you have to do the recycling
15 or diversion element. So there's an energy element, air
16 quality, waste recycling, and water conservation. The
17 challenges to doing this within the new construction
18 industry are a couple.

19 One is obviously at the job site you have to
20 develop practices that allow the materials to be recycled
21 or else have a hauler who's capable of separating
22 elsewhere. Another is that you have to be in an area
23 where there's a hauler who will allow you to separate the
24 waste and direct where it goes or take it to a site where
25 it will be recycled. And that is an infrastructure issue

1 that's a problem.

2 The other, probably the biggest issue for the
3 builders, is managing the subcontractors. The
4 subcontractors generate the waste. There's the framers,
5 the drywall subcontractors, the cement people who lay the
6 cement, and so forth. And, generally speaking, the large
7 builders in California have in their subcontractor
8 agreements statements that the subcontractor will recycle
9 waste materials. However, it doesn't get done. And so
10 there needs to be some verification process through which
11 the builder monitors the subcontractors and makes sure the
12 waste diversion is taking place. And that is an element
13 in the California Green Builder Program.

14 --o0o--

15 MR. HAMMON: So, again, what that program tries
16 to do is -- in the waste diversion element, we require
17 that wood, drywall, cement, and cardboard be separated and
18 diverted from landfill and that records be kept and that
19 quarterly reports be provided back to the Building
20 Industry Institute to ensure that the diversion is, in
21 fact, taking place.

22 --o0o--

23 MR. HAMMON: If you'd like more information,
24 here's some -- sorry. There is some information on the
25 website. The BII website is www.thebii.org, and from

1 there some you can find the Green Builder Program. And
2 Bob Raymer is the technical director of CBIA. And if you
3 can get to the presentation -- oh, thanks. There's
4 contact information for myself as well.

5 Thank you.

6 MS. CARDOZA: Thank you, Rob.

7 And our last speaker, well, for the presentation
8 part, is Constance Hornig.

9 (Thereupon an overhead presentation was
10 presented as follows.)

11 MS. HORNIG: Good morning.

12 I'm a garbage lawyer, which I guess is lucky for
13 me, because my husband says that's the only kind of
14 attorney he likes. I help cities and counties and JPAs to
15 develop and procure and negotiate and implement integrated
16 solid waste management programs. I draft ordinances and
17 contracts.

18 --o0o--

19 MS. HORNIG: As a member of SWANA, the Solid
20 Waste Association of North America's, Legislative Task
21 Force, I help submit comments on the model ordinance and
22 offer an alternative approach, which is to look at
23 contracting on a consensual basis, rather than regulation
24 on a mandatory basis, and shift the focus from the permit
25 applicant to the C&D hauler.

1 --o0o--

2 MS. HORNIG: Why contract rather than regulate?

3 One, save staff time and budget. There are a lot more
4 permit applicants than there are haulers. It is easier to
5 administer a contractual program with them.

6 --o0o--

7 MS. HORNIG: Two, take advantage of the hauler's
8 professional expertise. That's their core business. It
9 is going to be incidental to the developers.

10 --o0o--

11 MS. HORNIG: Three, be ruminative rather than
12 punitive. Contractual provisions can be more
13 self-enforcing, because you can develop performance
14 incentives. For example, to rebate percentages of
15 franchise or AB 939 fees for super diversion performance,
16 as opposed to going after bond forfeiture and fines and
17 penalties, which probably involve more cumbersome
18 administrative appeals procedures. In code, may involve
19 trying to get the DA to pay attention to waste matters.
20 You also can avoid the potential problems of the general
21 counties and cities forfeiting bonds and imposing the
22 fines and penalties because you're dealing with
23 contractual enforcement.

24 --o0o--

25 MS. HORNIG: Four, simplify compliance. Just as

1 in the ordinance context we talked about having a list of
2 certified haulers, your haulers could deal -- you could
3 deal with compliance by dealing with certified facilities,
4 designated facilities, or affirmatively designated
5 facilities, rather than requiring tonnage reporting from
6 your permit applicants and collaboration on the part of
7 your staff.

8 --o0o--

9 MS. HORNIG: A footnote to your facility
10 designation approach is that you may want to consider a
11 service contract instead of a franchise agreement.

12 --o0o--

13 MS. HORNIG: The difference is that in a
14 franchise, you are delegating your right to perform that
15 service in exchange for franchise fees. Whereas, in a
16 service contract, you are hiring someone to perform that
17 service for you. You are procuring that service.

18 In the context of an affirmative facility
19 designation, which you might want to do -- if you want to
20 help infrastructure development by making commitments to a
21 facility, if you don't have \$750,000 seed grant money and
22 you want to therefore support facility development with
23 designation, consider the service contract under Supreme
24 Court cases Carbone you probably cannot do that by
25 regulation. You would have to do it on a contract basis.

1 An implication would be you would not be using a franchise
2 fee. You would be using PRC 459 or AB 939 fees and
3 consider any 218 implications of that.

4 --o0o--

5 MS. HORNIG: Afford your regulatory link between
6 your projects and your contracted or franchised haulers to
7 require your permit applicants to use your hauler list.
8 In conjunction with that, probably have to carve out an
9 exception for your self-haulers, such as your roofers,
10 demos, perhaps.

11 --o0o--

12 MS. HORNIG: Contracts are going to be procured
13 in the same manner as the ordinances are developed through
14 meetings and feedback with stakeholders, similar process.
15 With the addition that you probably make the franchise a
16 condition of a haul permit, such as you would do with any
17 solid waste collection franchise.

18 --o0o--

19 MS. HORNIG: These are some communities that have
20 contractual-based C&D programs, La Canada Flintridge. And
21 Jason is here today from La Canada, which is
22 non-exclusive. Totally open market. Anyone who wants to
23 do it has to sign up.

24 A follow up on Hawthorne C&D is that Hawthorne
25 has now also procured semi-exclusive five C&D haulers via

1 C&D franchise.

2 And then Monterey County has done exclusively
3 with their single hauler with certain self-haul
4 exceptions.

5 These programs were implemented in conjunction
6 with residential and commercial programs. So it's
7 sometimes hard to tease out the incremental C&D diversion
8 attributable to the C&D component. But I encourage you to
9 call these communities to explore more about their
10 success.

11 For the web-based viewers, please look at the
12 Power Point slides when they are on line to fill out a
13 little bit of my comments. Thank you.

14 MS. GRAY: Thank you, Constance and everyone on
15 the panel.

16 We'll now move to the Q&A section of the prepared
17 questions. Because you made such excellent presentations
18 and we're watching the clock as well, we're going to cut
19 down some of the questions that you may have already
20 covered. So we'll ask a reduced version of the questions.

21 And the first question is for -- we'll go back to
22 Joe, the hauler, and ask how would a jurisdiction
23 determine if most demolition waste -- we're getting to the
24 question on the screen. How would a jurisdiction
25 determine if most demolition waste generated from projects

1 in its area is already being recycled?

2 MR. GARBARINO: Well, if you don't include the
3 hauler, then you really haven't got anything going.
4 Because if the hauler's going to go elsewhere, like over
5 the bridge to a particular landfill or further up north to
6 a landfill and they don't come into a MRF, then you've
7 lost probably 20 percent of your diversion rate.

8 And when it comes down to roofers, I shake out
9 all the gravel. And the gravel goes into -- with the dust
10 and the dirt and the other fines that I get. And that
11 goes as a pre-cover out at the landfill. So I use all
12 that material. But the haulers are the main component of
13 what goes into either a landfill and/or a multi-recovery
14 facility. And without the haulers, then if you don't
15 control the haulers, then you don't control the waste
16 stream. You don't control the waste stream, you don't
17 have AB 939 effective.

18 MS. GRAY: Thank you, Joe.

19 Now for Kelly, as the C&D recycler, please. What
20 incentive -- you have one question here. It has been
21 suggested that most demolition waste is usually recycled.
22 How could a jurisdiction determine if that were true in
23 its area?

24 MR. INGALLS: Could you repeat the first part of
25 the question?

1 MS. GRAY: Sure. It has been suggested that most
2 demolition waste is usually recycled. How could a
3 jurisdiction determine if that were true in its area?

4 MR. INGALLS: I believe that there is kind of a
5 common thought, especially among demolition contractors
6 and recyclers, that there is already a high level of
7 recycling, which is true. And it is true in the area of
8 concrete and asphalt and scrap metal, which are the very
9 well-known markets.

10 If I understand the question correctly in terms
11 of determining what the overall recycling rate is, if that
12 is the question, in a jurisdiction, I kind of go back to
13 my experience when I was with the city of Los Angeles
14 where there was really an -- it was part of the overall
15 solid waste characterization study for the city. And the
16 way it was determined, was by looking at really what was
17 being done on a landfill base, but also by doing a
18 recycler survey and coming up with the percentage on that
19 basis. So there really appeared to be a quantifiable
20 basis for the level of recycling.

21 Now the city of Los Angeles -- to use that
22 example again -- has the AB 939 compliance fee in place,
23 where they really have the reporting available because the
24 haulers are paying an AB 939 compliance fee for 10 percent
25 of everything they dispose. And they're also reporting on

1 everything they recycle, even if they're not paying the
2 fee. That's one way it's been verified.

3 Otherwise, it is a matter of going to hauler
4 surveys, which was the old way in the city of Los Angeles.
5 Basically call up all the haulers every year. And the
6 haulers got very good at reporting what they were
7 recycling and disposing. They got very familiar with the
8 report, and that was the basis for their AB 939 study of
9 disposal and diversion. So I hope I got the question
10 correct. And that was the way it was done, in terms of
11 verifying. Either a hauler survey or when you get around
12 to an AB 939 fee that you have the data.

13 MS. GRAY: Thank you, Kelly.

14 Now to Berger. I have one question on the
15 prepared. What are typical barriers to recycling
16 demolition waste, and how can those barriers be overcome?

17 MR. JOSTAD: Before I answer that question, I'd
18 like to go back to the previous one. I think the obvious
19 thing is to institute a reporting system, whether you've
20 got an imposed percentage -- impose the obligation to
21 report with the permit process. It certainly would work
22 with demolition industry.

23 And it's verifiable. Most of the time, you've
24 got some kind of paper, dump tickets, that sort of thing
25 that can verify that you're actually recycling what you

1 are. There's a woeful lack of information on that in
2 every city I've ever known. They just don't know what
3 we've been doing. We know. Nobody ever asks.

4 The other one -- the obstacles, one that was
5 touched on earlier by both of us was the prevailing wage
6 requirement on Public Works programs. I don't know
7 whether you can do anything about it. But I think -- in
8 fact, I know that if a separate realistic category was set
9 up for recycling labor, there would be a lot more
10 recycling done on demolition jobs -- Public Works
11 demolition jobs. The recycling rate on private jobs is
12 three or four times what it is on Public Works. That's
13 probably the number one obstacle to recycling in our
14 business.

15 MS. GRAY: Thank you, Berger.

16 We'll move to Rob. And we have two prepared
17 questions. The first one is why should a jurisdiction
18 thinking of adopting a C&D ordinance include local
19 contractors in the development of the ordinance?

20 MR. HAMMON: I'm not sure how well I can speak to
21 ordinances. But the two things that come to mind for me
22 in terms of local contractors is if you're going to make
23 the waste diversion or the recycling work, you need to
24 have the infrastructure set up so that there's a place,
25 there are haulers available to pick up the material and

1 get it out there and get it recycled.

2 And we have found that that's a major barrier to
3 getting our version of the green -- waste diversion part
4 of the green builder program to work, is that often in a
5 jurisdiction you can't find somebody who will take the
6 material and properly dispose of it.

7 The second thing -- and I'm not well versed in
8 this, but I'm just assuming there are cost issues. And
9 you need to make sure that when you're setting these
10 things up that the costs are going to work. Joe mentioned
11 that if it's cheaper to divert it out of the county than
12 have it recycled, then that's most likely what the
13 builders, subcontractors are going to do, as opposed to
14 what we really want them to do, which is recycle the
15 materials.

16 MS. GRAY: Thank you.

17 And I said two questions, but you did cover the
18 second one in your presentation, so we'll move on to
19 Constance.

20 And for you we do have two questions, Constance.
21 What local governments do you know have used your example
22 of a contractual agreement?

23 MS. HORNIG: That last slide on La Canada open
24 non-exclusive and Hawthorne semi-exclusive and Monterey
25 County exclusive.

1 MS. GRAY: And how much success have these
2 jurisdictions had?

3 MS. HORNIG: As I said, they put into effect the
4 C&D program in conjunction with their residential and
5 commercial. So whether or not they can completely tease
6 out the additional diversion that they got from amongst
7 those new programs, you could contact those communities to
8 see if they can segregate that.

9 MS. GRAY: Sorry to make you repeat those.
10 Thank you, everyone.

11 (Applause)

12 MS. CARDOZA: We're going to go to the Q&A
13 section. Would the speakers from the first panel come up
14 to the front.

15 And people on the Internet, again, you can
16 participate if you haven't already sent in your questions.
17 Do we have the address there? Send it to -- the e-mail a
18 is tedwards@ciwmb.ca.gov. Put C&D workshop in the subject
19 line so we can identify those questions.

20 BRANCH MANAGER MORGAN: This is your time to ask
21 questions of the panel. I know many of you have been
22 waiting to ask questions, so we're going to pass a roving
23 mic, as well as pick up some of the questions off of the
24 web. So Zane is going to pass that mic, the first person
25 he comes to.

1 If you wouldn't mind before asking your question
2 if you could state your name and then ask your question.
3 If there's a particular panelist you want to direct it to
4 or if it's more general, we'll help field those.

5 MR. WHITE: Chuck White with Waste Management.

6 My question is -- a couple comments, too, if I
7 could -- is related to the inert engineered fills that I
8 believe was mentioned very briefly at the beginning.

9 As we all know, AB 939 is a disposal based
10 system, and compliance with that system is based upon how
11 much is disposed of. And I'm curious about how inert
12 engineered fills are viewed. The Board has adopted
13 regulations after legislation and basically "took inert
14 engineered fills off the table." They're not considered
15 to be diversion, but they're also not considered to be
16 disposal. So a jurisdiction that sends their C&D -- clean
17 inert C&D materials to a cleaner fill is not disadvantaged
18 under AB 939 accounting. It's not counted as disposal,
19 per se.

20 Yet, with respect to your ordinances, you only
21 deem compliance with your ordinance based upon recycling.
22 So I'm wondering, does a contractor that sends a clean
23 inert material in your jurisdictions to an inert
24 engineered fill, how is that counted under the ordinance?
25 Or is this something that's kind of not really been dealt

1 with and slipped between the cracks? And I'm wondering
2 number one -- I have a number of questions related to
3 this.

4 Could there be -- could these C&D ordinances be
5 inadvertently limiting the management options,
6 particularly with respect to inert engineered fills, by
7 not considering it to be a recycling activity? And so,
8 therefore, you can't use it to meet compliance with the
9 ordinance. Yet, if someone were to send it to an inert
10 engineered fill, the city would not be disadvantaged with
11 respect to AB 939 compliance. I'm curious about how your
12 individual cities have addressed this issue, if you have
13 addressed the issue.

14 And then if a jurisdiction wants to maintain
15 maximum flexibility on compliance with AB 939 all the
16 management options, how would they deal with that in a
17 recycling-based ordinance to ensure that materials sent to
18 an inert engineered fill wouldn't be necessarily blocked
19 by your ordinance or any ways limited?

20 So I know it's a complicated issue, but I would
21 appreciate -- primarily for the first panel on how they
22 deal with this issue and have dealt with it or have not
23 dealt with it.

24 BRANCH MANAGER MORGAN: If it's all right, Tina,
25 do you mind responding to that, because you probably have

1 the most --

2 MS. CLARK: We consider materials sent to inert
3 engineered fills as meeting the requirements of our
4 diversion ordinance.

5 MR. WHITE: I know some jurisdictions do, but
6 other jurisdictions don't. And I'm just curious about
7 how -- it's really a problem in Southern California, like
8 the city of Irwindale, because they have so many of these
9 fills that need to get filled up.

10 BRANCH MANAGER MORGAN: Chuck, let's have Kelly
11 respond.

12 MR. INGALLS: Can I respond to that from the
13 recycling perspective? I think that this came up during
14 Phase 2 regs as they were discussed. And there seems to
15 be a difference between what seems to be basically inert
16 fill disposal, as you would have at an inert fill like
17 Irwindale or Vulcan in Sun Valley and engineered fill that
18 is part of a development. If it's part -- say there is
19 going to really be a golf course that is part of the inert
20 fill or shopping center, then that can be considered
21 recycling.

22 But where it is just inert disposal, there are a
23 number of reasons why you would not want to count that.
24 It would tend to skew the recycling rate of the locality
25 very dramatically towards boosting their recycling rate

1 and not meeting AB 939. But where there would be a
2 development, entitlement, an actual golf course that's
3 going to happen, it would be considered recycling. That
4 was the approach I was recommended from CMRA.

5 BRANCH MANAGER MORGAN: One quick response from
6 Stephen, and we want to get to the next question.

7 MR. BANTILLO: That was 1178 you were referring
8 to? I'm trying to remember the number of the bill. Well,
9 with my Construction Demolition Council I had, we
10 disagreed with the direction that the Board went on that.

11 And in agreement with Kelly here, again thinking
12 of highest and best use. Basically you've got a lot of
13 material that is viable for construction projects that
14 essentially is going into a landfill. It's not being
15 beneficially used. Same issue related to alternative
16 daily cover regulations. But, again, this material isn't
17 getting back into the economic mainstream into the
18 building construction world where it can be reused, where
19 it can be placed in asphalt or concrete mix and go into
20 highways and things like that. So some level of
21 frustration over that decision.

22 But basically we would look at -- now with San
23 Jose's hat on, we are counting that beneficial reuse
24 currently in the system. We would like to have -- and we
25 are going to see more tracking of this through the new

1 rules and regs and the reporting requirements that we
2 have. And we're going to continue to look at that in the
3 future once we get more data on that to find out how much
4 of the material is actually disappearing into the
5 landfill, as opposed to being really recycled.

6 BRANCH MANAGER MORGAN: Next question.

7 MS. BENNETT: Tammy Bennett, city of Fairfield.
8 We currently have a non-exclusive application process for
9 the city of Fairfield. And the two questions that I
10 have -- currently, we're running into a few problems. One
11 of the questions that I have is for the first panel. Have
12 you guys incorporated any of your ordinances or any of the
13 agreements anybody has heard of an audit process for your
14 applicants?

15 BRANCH MANAGER MORGAN: Anybody want to take a
16 stab?

17 Jim.

18 MR. MERID: No. But that's something we could
19 definitely look into now.

20 When you say audit, what exactly are you talking
21 about?

22 MS. BENNETT: I can give you a for instance. By
23 no means do I mean to imply this approved applicant that
24 we have is doing this. But they are a contractor, as well
25 as they have a business that takes C&D material. Well,

1 you know, just going through the process of thinking about
2 it, somebody in that situation could write off a ticket
3 and say, well, we received this much material. And,
4 again, by no means am I implying that that particular
5 party is doing that. But the thought did cross through
6 our mind that could happen, and kind of led to the
7 possibility of thinking of other things. Has anyone put
8 any kind of audit procedures in their application process.

9 And, Constance, is that legal? Can we do that?

10 MS. HORNIG: On the contractual side, yes. There
11 are protocols for audits in conjunction with the
12 submission of compliance. Because money -- in the
13 contracts, usually money is turning. It's not just, are
14 you meeting a performance standard or not? Are you going
15 to earn additional compensation for extra diversion,
16 additional fee rebate? And so the onus is generally on
17 the reporting party, the contractor, to produce the
18 documentation.

19 And there are different ways of dealing with the
20 compensation of your staff. Just as if you audit a
21 franchise fee, looking at dollar levels or percentage
22 levels. If they're off by or more than that, they have to
23 compensate you for your audit costs.

24 MS. BENNETT: And then my second question right
25 quick -- I'm sorry -- was also for Constance. I believe

1 it was Joe, if I heard correctly earlier, implied that
2 perhaps we require -- in our agreements or our ordinances
3 that we require our haulers to dispose or recycle at a
4 particular facility. Can we legally do that?

5 MS. HORNIG: Not by regulation. Only
6 contractually. By regulation you can have a list whereby
7 they are excused from reporting. Maybe that's the San
8 Luis model. You don't have to report if you go to a list.
9 But if you are affirmatively designating, no, it has been
10 contractual.

11 BRANCH MANAGER MORGAN: We're going to turn to a
12 web question, and then you'll be next.

13 MS. BROWN: Jacy Bolden sent two questions. And
14 she asked for the jurisdictions, for all those cities with
15 an ordinance, did they already have mixed C&D processing
16 facilities in place when they established their ordinance?
17 If not, how did they overcome any issues with facility
18 capacity and availability?

19 BRANCH MANAGER MORGAN: Bill, why don't we start
20 with you.

21 MR. WORRELL: We did have a company that started
22 in the early '90s to compete with the landfill. And its
23 hauling company started a mixed C&D recycling facility as
24 a way of actually reducing its disposal cost. And we gave
25 enough lead time that we had several others come on line

1 between the time we had our model ordinance and the time
2 it passed.

3 One of the problems you're going to face today,
4 though, is to be coming on line now takes a lot more work
5 because you have to go in and change your siting element.
6 You have to go through the permitting process with the
7 Waste Board. It's going to be more difficult to bring new
8 facilities on line, and we did it a couple of years ago.

9 BRANCH MANAGER MORGAN: Stephen, do you have a
10 response?

11 MR. BANTILLO: Yeah. We did have some mixed C&D
12 processing capacity in San Jose. But through our first
13 round of grants -- and I say first round because I'm
14 hoping we're going to do more. But we did offer that
15 \$750,000 for innovative projects to enhance, again, with
16 the focus on mixed C&D recovery. The only one that we
17 gave out that wasn't specific to mixed C&D recovery was to
18 a carpeting processing facility.

19 BRANCH MANAGER MORGAN: Anyone else?

20 Next question.

21 MR. CRUTCHFIELD: Derek Crutchfield, city of
22 Vallejo.

23 For the first panel, I was wondering, how did
24 your C&D ordinance effect your diversion rate? I mean, I
25 know that several people are implementing these C&D

1 ordinances, but has it really had a big impact on your
2 diversion rate?

3 BRANCH MANAGER MORGAN: Who wants to go?

4 MR. WORRELL: I mean, if you remember my chart,
5 we had a 32 percent increase in non-franchise waste from
6 one city over one year. And it's the C&D waste that
7 killed us because of the building increase. And we've
8 really made a dent. We've diverted 21,000 tons in last
9 year, which is about 10 percent of our waste stream. And
10 that continues to increase. So it really has been a very
11 valuable portion of our diversion program.

12 MR. MERID: In our experience, actually, we
13 haven't seen a dramatic increase or dramatic reduction due
14 to implementation of this project. But at the same time,
15 looking at our neighboring cities that don't have a C&D
16 ordinance and that have experienced the same kind of
17 increase in development and tenant improvements, their
18 diversion rates have gone down, while ours has held pretty
19 steady. So I think it's put a cap on it as far as
20 reducing or actually increasing the diversion rate.

21 BRANCH MANAGER MORGAN: Tina.

22 MS. CLARK: We've had a dramatic increase in our
23 diversion rate, but it's really hard for us to decipher
24 how much is attributable to our new mixed residential
25 mixed waste MRF processing program and our new commercial

1 exclusive franchise also, because it's -- the hauler hauls
2 for that whole area. And at this point we just haven't
3 pulled the data together yet to be able to break it out to
4 get accurate numbers.

5 MR. BANTILLO: We haven't been able to back out.
6 We're doing roughly 150-, 200,000 tons a year through our
7 C&D program. We haven't been able to determine how much
8 of that was already in existence. We think we boosted it
9 by over 100,000 tons a year. We're happy that our
10 diversion rate didn't go down as much as some of the other
11 jurisdictions in the area.

12 I know the Executive Director of the Waste Board
13 at the March Board meeting speculated that recovery around
14 the state dropped a bit because of all the development
15 taking place and attributed some of that, I think, to
16 construction and demolition. We think that the C&D
17 program in San Jose has helped us hold our ground and
18 probably gain a few percentage points we would have lost
19 otherwise.

20 We also noticed a number of jurisdictions in the
21 surrounding area, because San Jose is so infrastructure
22 rich, that these other cities have been able to take
23 advantage of the facilities in San Jose so they haven't
24 had to implement C&D recycling programs that we had
25 discussed several years earlier.

1 BRANCH MANAGER MORGAN: Next question.

2 BOARD MEMBER PEACE: Hi. I'm Cheryl Peace with
3 the Waste Board.

4 My first question is for Stephen. You mentioned
5 that 40 percent of the contractors weren't requesting
6 their refunds back. Do you have any idea -- is it because
7 they're not recycling or they just forget or don't want to
8 do paperwork?

9 MR. BANTILLO: I have the survey results on disk.
10 I'd love to put them up. There were a number of reasons.
11 Some of them were disconnected from the project. The
12 refunds are typically issued to the person who pays the
13 deposit. Sometimes the contractor pays the deposit, but
14 they're paying it with the property owner's money. And so
15 we don't know exactly what happens in those transactions.
16 Maybe the contractor makes out. Maybe they don't. Maybe
17 they're good contractors and they turn over all the
18 paperwork to the homeowner, the property owner.

19 There's other reasons where -- there were a few
20 people who didn't think they had the information. Some
21 folks thought too much time had elapsed. But the bulk --
22 I'd say the 40 percent was pretty evenly divided for a
23 number of reasons similar to what I was saying.

24 There isn't one thing there that we can do other
25 than get this other function in the permit center's

1 database activated so we can send out reminder letters to
2 these folks. And, again, changing the code saying you've
3 got X number of days before your refund will no longer be
4 available or your deposit will no longer be eligible for
5 refund.

6 BOARD MEMBER PEACE: It's for those reasons?
7 It's not because they're not doing their recycling?
8 They're doing their recycling?

9 MR. BANTILLO: There was about 2 percent of the
10 people, I think, that they didn't support recycling and
11 didn't recycle. Pretty small amount.

12 BOARD MEMBER PEACE: I had one more question. I
13 believe it was Kelly Ingalls had mentioned there were
14 eight localities in Southern California that wouldn't use
15 the C&D as road base.

16 MR. INGALLS: Yes, they are. I have their names.

17 BOARD MEMBER PEACE: I also had gotten that
18 complaint from a contractor down in Southern California
19 who said he would want to use that stuff, but he wasn't
20 allowed by their local road division to use that as road
21 base because it wasn't specifically specified in the
22 Caltrans spec book.

23 MR. INGALLS: Yes. It actually is specified in
24 the Caltrans spec book, as well as the green book
25 specifications for Southern California. There are very

1 definite specifications for it. Some localities prefer to
2 use what is called crushed aggregate base or mined virgin
3 aggregates because of an engineering thing. And the issue
4 is that it takes out the market advantage for those
5 producers that are making crushed miscellaneous base.

6 And, actually, it's interesting because the
7 aggregate producers would rather use that crushed
8 aggregate base than things like concrete aggregate and
9 have to go to that end market than for road base. So it's
10 been a long history of that.

11 There are some localities, like the city of
12 Los Angeles, that sometimes use crushed base, recycled
13 base and sometimes use arbitrarily capriciously. So it's
14 a big problem for them.

15 And one of the things that localities don't know
16 is it costs quite a bit more for CAB, 750 a ton versus 450
17 a ton. That is one of the things on the market
18 development end that our chapters has really been working
19 on. They do want us to talk to people such as the state,
20 such as yourselves, and the Governor's Office about it.
21 Because basically there are a lot of bids they cannot make
22 a bid on. A multi-million dollar bid they can't because
23 of a specification issue. So that will be an ongoing
24 issue on our part.

25 BRANCH MANAGER MORGAN: Next. Yes.

1 MS. COLLINS: I'm Susan Collins from Hilton,
2 Farnkopf and Hobson. My question is for Stephen Bantillo.

3 I wanted to hear a little more about your
4 \$750,000 grant fund. First of all, where did the money
5 come from? Was it part of your program fees, or was there
6 a special fund established for that?

7 And, secondly, where did the money go to? You
8 said it was to establish mixed processing. But a few more
9 details about the mechanics of that. What did the people
10 who got the grants have to do for the grant money and that
11 kind of thing?

12 MR. BANTILLO: Okay. The 750,000 grew out of a
13 much smaller number. This was over a period of two years.
14 The first year was \$250,000. The second year was 500,000.
15 It did come from our Integrated Waste Management - sort of
16 a special fund, which the source of that is AB 939 fees on
17 the commercial sector.

18 There were several landfills that received funds
19 in various amounts up to about 100-, \$120,000. There were
20 several recycling facilities that also got some grants. I
21 think there were 40,000, up to about \$80,000 I believe.

22 And then the Material Recovery -- MRI, Materials
23 Recovery, Inc., facility, he initiated carpet recovery
24 facility. We gave him a \$200,000 grant based on our waste
25 competition studies that we did. We found there was

1 10,000 tons a year of carpet getting into the landfill.
2 So he was able to capture a lot of that material, as well
3 as provide carpet recycling services to a lot of other
4 local jurisdictions. They were very happy that somebody
5 in the area started taking carpet on a large scale.

6 MS. COLLINS: What do the grant recipients have
7 to do?

8 MR. BANTILLO: Basically, it was a competitive
9 process. They put together a bid, and we evaluated it
10 based on, you know, what was it going to get us, the
11 biggest bang for the buck, dollars per ton, pennies per
12 ton, whatever it is. And diversion, how that was going to
13 stack up and provide diversion percentage for San Jose.

14 BRANCH MANAGER MORGAN: Next question.

15 MS. ECHEVARRIA: I'm Eliza Echevarria from the
16 city of Moreno Valley. And I was given direction at the
17 beginning of the year to put a C&D ordinance in place, and
18 no matter what. Well, we came with so many pitfalls, it
19 wasn't even funny.

20 We're from Riverside County -- city in Riverside
21 County. I think it is the fastest growing county in the
22 state of California. We have thousands of homes that are
23 being built. And we have a landfill right in our
24 backyard. And we do not have the infrastructure in our
25 western Riverside County area to handle the disposal or

1 the recycling end of it. So we have a lot of challenges.

2 My question is the resources. Because when I
3 went through the process of writing this ordinance,
4 basically I worked with our building department and our
5 land development department. And it all came down to
6 resources. We would need to bring on at least two to
7 three people just to manage this ordinance. And that's
8 when we backed off and we said maybe this isn't a good
9 thing for us to do at this time.

10 Were any of you met with these challenges of
11 resources? And I know we all carry a lot of hats at the
12 local government level that we just don't have that time
13 to be on the field and tracking all of this stuff. It's
14 tremendous.

15 BRANCH MANAGER MORGAN: Who wants to start with
16 this one?

17 Jim.

18 MR. MERID: As far as resources, we ran across
19 the same kind of challenges. Like I had mentioned earlier
20 in my presentation, the fact that we don't have that
21 many -- actually, we don't have any within ten miles,
22 material recovery facilities or any recycling facilities.

23 So, basically, we met with haulers, and we met
24 with contractors to get some input from them and to figure
25 out exactly what we're working with. And also not only

1 that, but figuring out if there is a market for all these
2 recyclables. Because what we saw is at times certain
3 facilities would accept certain materials based on what
4 the market was like. So we had to meet with these haulers
5 as well as the facilities to figure out exactly what would
6 be best.

7 And also as part of the building and permit
8 application process, as a matter fact, the building and
9 safety staff lets the applicants know ahead of time that
10 you might want to revise some of your numbers because your
11 hauling and your recycling rates will go up due to the
12 fact you're going to have to, instead of going five miles
13 to the nearest landfill, you might have to travel an extra
14 10, 15 miles to the nearest material recovery facility.
15 So contractors have gone back and revised the numbers.
16 That's how we worked around that. They know they can't
17 just go to the local landfill. They're going to have to
18 add these costs to their contracts. That's how we worked
19 around that.

20 BRANCH MANAGER MORGAN: Anyone else?

21 Bill.

22 MR. WORRELL: I think what you're going to find,
23 though, is if you put this ordinance in effect, adopt it
24 and have it go into effect in about a year, that market is
25 so competitive that you're going to see people getting

1 into the business to keep their competitive share of that
2 waste, especially if it's a non-exclusive sort of hauling.

3 And then on the city side, the three cities that
4 I work with have all implemented these programs without a
5 fee. The county of San Luis Obispo is looking at a \$65
6 fee to process your permit for this particular item. And
7 that's based on -- they're saying maybe one hour of time
8 to go through it. So that's how they've kind of dealt
9 with we're so big and we've got so many permits, how are
10 we going to manage to handle it? That will allow them to
11 basically hire one full-time person to do nothing but
12 that.

13 BRANCH MANAGER MORGAN: Steve, you want to go?

14 MR. BANTILLO: Sure. The resource issue is a
15 serious one if you're really considering developing a
16 program. I know Constance has some good ideas about
17 contracts. But either way, whether you do it through an
18 ordinance or contract, you're still going to need somebody
19 to administer it. We've been struggling with that in San
20 Jose. We have a hiring freeze so we can't just fund
21 somebody. We have money sitting there in a pot to fund
22 somebody. We just can't get a position authorized.
23 That's a big challenge for us.

24 So, for us, essentially, resources will continue
25 to be an issue as long as we have the hiring freeze. I'm

1 expecting probably within a year that we'll be able to get
2 some help on that. In the mean time, we try to get
3 consulting contracts to do some work for us. We've got a
4 consultant firm that did our economic study. We've got a
5 consulting firm that did a certified facility process for
6 us. We've got another consultant who is doing the
7 certifications of the facilities, because we don't have
8 the staff and the time to do it.

9 MS. HORNIG: If I could just give an example on
10 the contractual basis. For example, in La Canada
11 Flintridge, there's a city of 23,000. There's 83 permit
12 projects on their records for C&D. But there's only five
13 haulers. So from a staff administration point of view, if
14 you can focus on the five haulers and that all those
15 projects have to use them, you're reducing your
16 administration time significantly.

17 BRANCH MANAGER MORGAN: Thanks, Constance.

18 Next question.

19 MS. ZIMMERMAN: I'm Sharon Zimmerman from
20 Sacramento County. Mine's a two-part question. First,
21 I'd like to ask Constance, you were talking about the
22 difference between an ordinance and an agreement. An
23 ordinance you would have to enforce. An agreement --
24 well, what would -- how would you be able to have somebody
25 who would be in compliance of an agreement?

1 And my second part would be to Panel 1. As far
2 as enforcement, since most of your ordinances require a
3 deposit, is that -- if they don't adhere to the conditions
4 of the ordinance, do you just keep the deposit? Is that
5 your enforcement guarantee?

6 MS. HORNIG: In the regulatory arena enforcement,
7 which would be ultimately you're going to forfeit the
8 deposit -- and there's probably a very specific appeals
9 process built into your ordinance. Where, if you're going
10 to have an ordinance violation and have a fine or penalty,
11 there's quite a bit of appeals and hearings and rights.
12 In different jurisdictions you actually need your D.A. to
13 do that, and that's low priority. So enforcement is time
14 consuming, expensive, and cumbersome.

15 In the contract, generally, the performance is
16 going to be financially based, which is why I call it
17 self-enforcing. So the incentive is to do better than the
18 performance standard, you can maybe get a larger fee
19 rebate for example, or if you don't meet your performance
20 standard, you actually have to pay extra fees. In any
21 event, the contractual remedies also could be more
22 flexible, because you can prescribe a mediation protocol
23 with a consultant who is knowledgeable in diversion. And
24 you don't necessary have to go to your D.A. and get into
25 court as soon.

1 BRANCH MANAGER MORGAN: Stephen, do you want to
2 respond to local perspective?

3 MR. BANTILLO: Sure. Basically, you hit it on
4 the head. They will forgo their deposit if they don't
5 want to recycle the material.

6 What we're finding, though, of course, is that
7 there's -- when somebody takes their materials to a
8 facility, they're supposed to tell the gate staff what
9 their permit number is, so the certified facility puts
10 that number on the receipt. So it comes back to us, we
11 can match that up with their permit numbers. Some of our
12 facility operators have said, "Gosh, where are all the
13 tons? We're not seeing all that many folks." We're
14 finding that less than half of the customers are telling
15 the facility the permit number. So they're getting a lot
16 of customers. Their tons are there. They're not seeing
17 it from the CDDD Program.

18 We're trying to address that through how we
19 communicate that message in our ordinance, as well as
20 specifically in our brochure. When somebody pays their
21 deposit, they get a brochure. It's got a refund
22 checklist. These are all the things you have to do in
23 order to get your money back. Some people read it and
24 read it carefully. They call me and say, "Stephen, I
25 forgot to tell them my permit number. Can I get my money

1 back?" We're still granting it. They've got the receipts
2 that match up approximating the tonnage or volumes that
3 we'd expect with the program.

4 I want to just address one of the comments made
5 earlier about folks running the materials off to the
6 landfill because the rates are so low. In our economic
7 study, we found out how much it was costing for the
8 various facilities to dispose and how much it was costing
9 for them to process. Our rates vary based on the time and
10 effort, labor and equipment to provide that separation in
11 recycling materials.

12 So a commercial industrial project, it's only 10
13 cents per square foot, because there's a lot of concrete
14 and steel in there, versus the residential alterations.
15 It's much more cumbersome to segregate those materials.
16 And that's \$1.16 per square foot. Based on our economic
17 model, we found that roughly approximates the cost of
18 disposal for the amount, the volume, and tonnage of
19 material these folks are generating. So that's an
20 incentive for them. They can pay for the disposal or they
21 can pay for recycling. Either way, the material is going
22 to go to the facility. But if they pay for the recycling
23 side of it, we're going to get the benefit, and they'll
24 get their money back.

25 BRANCH MANAGER MORGAN: Bill, do you want to add

1 anything with respect to economics?

2 MR. WORRELL: No.

3 BRANCH MANAGER MORGAN: Next question, and then
4 we're going to go to a web question and then come back.

5 MR. FRYE: Yes. Ron Frye, Solid Waste
6 Consultants. I have a question for Rob.

7 I represent a group of cities in one county, and
8 they're proposing an ordinance -- identical ordinances for
9 all the cities to assist the building contractors. But
10 there's some discussion whether the building contractor --
11 it was really a help to the building contractor with
12 identical ordinances for eight or nine cities. Do you
13 have any thoughts about that?

14 MR. HAMMON: Yeah. In general, it's a benefit to
15 the builders to have ordinances or programs or whatever
16 they are, whether they're ordinances, voluntary programs,
17 whatever, to be very similar or the same. The builders
18 that I'm talking about build all over the state. And if
19 they can have things look the same jurisdiction to
20 jurisdiction, it simplifies the process. And they're more
21 likely to get things right, because it's something they
22 may have done before or they can copy and do again later.
23 So yeah, that's a good thing.

24 BRANCH MANAGER MORGAN: We're going to go to a
25 web question now.

1 MS. BROWN: I apologize if I mispronounce this
2 gentleman's name. Benjamin Lucha asks Constance Hornig,
3 if a city were to implement a permitted hauler system to
4 address C&D diversion in its region, how can the city
5 ensure diversion from C&D projects that would be exempt
6 from using the permitted haulers, i.e., construction
7 projects that will self-haul the materials, et cetera?
8 Thank you.

9 MS. HORNIG: If you focused on the haulers, but
10 through a permit rather than a contract, you could still
11 carve out the same self-haul exemption. Think of an
12 analogy to where you have residential collection that
13 has -- that you have to use an exclusive franchise hauler
14 but can have self-hauling upon demonstrating, for example,
15 receipts that you are taking it somewhere. So your
16 self-hauler exemption within the permitted hauler system
17 would presumably be a mini-version of a model ordinance.

18 BRANCH MANAGER MORGAN: Thank you.

19 Next question.

20 MR. OWING: Yes. For Constance. Rich Owing,
21 Sacramento County. Hi, Constance.

22 The five-year notice for implementing regulation
23 in a non-regulated area in state law, I want to make sure
24 that the service contract, that same five-year notice
25 applies.

1 MS. HORNIG: If you are going exclusive, you
2 would need a notice. Most of -- two of the communities
3 here I noted were not exclusive. So, for example, in La
4 Canada, it's an open market. So no notice is involved.

5 BRANCH MANAGER MORGAN: Zane, next question.

6 MS. MELANDER: My name is Heidi Melander. I'm
7 with Brown, Vence, and Associates. I've been doing a lot
8 of work for the city of Stockton lately. And we just
9 implemented a new franchise -- commercial franchise
10 ordinance. And what we're trying to figure out is --
11 we've exempted C&D, and I heard that is positive thing
12 from one of the panel members. What we're trying to
13 figure out, we also have a recycling permit where we
14 require recyclers to recycle 90 percent of the material
15 they collect. But we're trying to figure out what makes
16 sense for C&D. And I'm wondering if anyone here has --
17 because right now that 90 percent would apply to them as
18 well. And we have an opportunity to set that at a lower
19 maybe 70 percent rate, if that makes sense. And I was
20 curious to get some feedback from the folks here.

21 BRANCH MANAGER MORGAN: Heidi, do you want to
22 direct it? Do you want Joe to answer first?

23 Joe, do you want to take a shot at that with the
24 90 percent level and what you think?

25 MR. GARBARINO: Are you asking whether it would

1 make sense to have a MRF? Like, for instance, the city of
2 Stockton, is that what you're saying?

3 MS. MELANDER: We have some C&D processes now.
4 We're still trying to get a handle on exactly what's going
5 on. The ordinance has been place for about four weeks.
6 So what we're trying to figure out is specifically for C&D
7 maybe 70 percent --

8 MR. GARBARINO: I don't know too much about
9 surroundings around Stockton. I can only go by a
10 population group of, say, 250,000, which I'm sure is in
11 and around Stockton. And I built a MRF in the county not
12 far from Stockton, maybe 80 miles. But once you start in
13 doing that and you get that MRF in, you know, you forget
14 about your C&D, because that comes in in bits and pieces
15 every day anyway. You don't get the bulk of it, because
16 the bulk goes elsewhere because it's cheaper to dump it
17 into a hole in the ground than it is to dump it into a
18 regulated MRF.

19 But once you dump it into that MRF, then you're
20 going to go way up and above your 50 percent recycling.
21 You're not only going to take the C&Ds, you're going to
22 take the people cleaning out their garages, their attics,
23 their mini-construction job, the major construction job,
24 all of them.

25 When it comes to dirt that the fellow from Waste

1 Management talked about, we take all the dirt. We not
2 only take it in, but we sell it to you back the next day
3 as top soil. Because we run it through a machine. We
4 take that rubble of dirt and concrete and rock. It comes
5 top soil out here, gravel over here, heavy concrete out
6 here, and baseball size rocks out this way on the four-way
7 split.

8 Once you pay to get rid of that, we either bag
9 it, put it in a pickup truck, trailer. And we've done
10 softball fields for cities and a park for the town of Ross
11 and et cetera. And then we sell the balance of it. We
12 sold about 60,000 cubic yards of top soil last year.

13 So if they don't have a MRF and -- to me, the
14 only way you're going to come up with any compliance to
15 939 is to reduce all the waste, not just segments of the
16 waste. We're not just talking about -- this is a minor
17 issue to me. This is 20 percent C&D. Talking about all
18 that waste going into one factory and having it come out
19 with commodities called post-consumer products. And
20 that's what I do. And I know you can do it just as well
21 in Stockton and any other area of that magnitude.

22 MS. HORNIG: I was just going to say, Heidi, in
23 La Canada Flintridge franchise C&D, their performance
24 standard is 70 percent. And my understanding is that they
25 all have to process to reach that 70 percent. And some of

1 them may be paying more in order to achieve that to do the
2 processing, but it is in inventory.

3 MS. MELANDER: And 90 percent might be a
4 challenge.

5 DEPUTY DIRECTOR MORGAN: Stephen will respond to
6 that.

7 MR. BANTILLO: Heidi, there's a number of
8 jurisdictions who have sliced that diversion number a lot
9 of different ways, dependent on, I think, the competition
10 within the infrastructure and what these local facilities
11 are able to achieve. Some jurisdictions take the inerts
12 out of the equation all together and say this is the
13 number you have to achieve. Some of the jurisdictions
14 will have different percentages based on the types of
15 materials. I think there's some good examples on the
16 Waste Board's website.

17 In San Jose, we have two levels of certification.
18 We initially proposed to our Council we would have
19 multiple tiers, but we haven't gotten into the multiple
20 tiers. But there is an administrative certification we
21 use for our inert facilities. They've got a 90 percent
22 recovery requirement. Whereas, the full material
23 facilities, mixed materials, have a 50 percent recovery
24 requirement -- diversion requirement.

25 However, the additional qualification on those

1 facilities now is that in the calculation of diversion,
2 they're not allowed to count any alternate daily cover
3 use. When we first started the program in 2001, we only
4 got 50 percent credit for ADC use. In 2002, that kicked
5 down to only 25 percent credit. As of July 1 this year,
6 they're not getting any credit for alternative cover daily
7 use. There's a number of models out there and different
8 ways you can slice it depending on what the goals are of
9 the particular community you're serving.

10 BRANCH MANAGER MORGAN: Thank you.

11 We're going to go to a web-based question now.

12 MS. BROWN: Sungkey Ma from Riverside County has
13 a couple of questions. She asks, has any city or county
14 government successfully used the disincentive of a high
15 tipping fee for C&D waste at the public landfills to
16 encourage recycling of C&D or the establishment of
17 recycling infrastructure for C&D? And how high is the
18 tipping fee that does the job?

19 BRANCH MANAGER MORGAN: Who wants to answer that?

20 MR. WORRELL: I mean, our landfill charges \$48 a
21 ton to go to the landfill. And it's also \$48 a ton to go
22 to the recycling facility. I think Joe has got a good
23 point. If your landfill is charging \$10 a ton, you're
24 going to be in a really tough situation trying to get
25 people to go to your recycling facility. So in our case,

1 by pricing it to same to the builders, it really doesn't
2 matter. So they use our program.

3 MR. GARBARINO: In most cases, though, people
4 that take the option to go to the dump and dump it in the
5 hole in the ground for a cheaper rate are charging us a
6 higher rate, if not higher than what I'm charging for the
7 rebox to take it to a regulated MRF.

8 And this is where government somewhere has to
9 come in and take over. I'm not a cop. But I'm no longer
10 giving any records to anybody for anything. They're going
11 to have to subpoena me until they come down and work in
12 the pit with me and find out where the action is really
13 at.

14 MR. JOSTAD: I think it's obvious it's a sliding
15 scale, that the higher the tipping fee, the more incentive
16 there is to try to avoid it. In Los Angeles County,
17 Puente Hills Landfill only charges \$19 a ton. That gives
18 you a real incentive to dump it rather than recycle it.
19 There are other places in Southern California where it's
20 up in the 40s, and it changes your outlook a bit.

21 MR. INGALLS: I think one thing that has to be
22 taken into consideration too from, say, maybe a
23 contractor's point of view is the tipping fee is only part
24 of the picture. The trucking fee is also something to be
25 considered.

1 And even in Los Angeles, if you have a project in
2 downtown Los Angeles and you're going to be taking
3 materials either to the landfill or the recycling center,
4 you're going to go to Downtown Diversion because it's
5 closer. It's within a couple of miles, rather than going
6 all the way to Sun Valley or Granada Hills to Sunshine
7 Canyon. So if you're doing that kind of looking at the
8 whole cost benefit analysis, the tipping fee of \$75 an
9 hour each way makes a lot of difference.

10 The thing is, I don't know if any contractors
11 really look at that closely, because the disposal fee, the
12 recycling fee is a small portion of the overall contract
13 price for a construction project. You have a \$60 million
14 construction project, the disposal fees isn't that great.
15 So I don't think cost estimators are really looking at
16 that. When we're talking about tipping fees, also look at
17 transportation costs.

18 MR. GARBARINO: This is why there's an opening
19 here. This is an opportunity we're talking about.
20 Instead of hauling it 75 miles someplace, give somebody a
21 contract to build that MRF ten miles from where you're at
22 and give them the exclusive contract to bring that
23 material in at a decent price, regulated and checked up
24 by the proper local agencies, and you'll see how many MRFs
25 pop up and you'll see how much more recycling is going to

1 get done.

2 I can understand trucking, especially in today's
3 world, it costs a lot of money. But the reality is, are
4 we going to let this stuff go? Are we not going to care?
5 And are we going to keep on dumping it like we're doing
6 now? That's what everybody has to talk about here,
7 especially so the people here at the state level can
8 understand it all.

9 BRANCH MANAGER MORGAN: Jim.

10 MR. MERID: I just wanted to add to that.
11 Luckily for us, the county of Orange has recognized that
12 the tipping fees are too low to be an option. It's \$22 a
13 ton to haul it to the landfill, versus \$50 per ton to haul
14 it to the material recovery facilities. So now they're in
15 the process of revising and adding to the tipping fees,
16 where eventually ten from years from now, it will be 48 to
17 \$50 a ton. So that really adds an incentive to the hauler
18 to take it to the material recycling facilities, which may
19 be closer to where their project is located.

20 BRANCH MANAGER MORGAN: Thanks, Jim.

21 Do you have one?

22 MS. KOTKO: I don't know if it's for Berger or
23 Constance. In areas where there's non-exclusive
24 franchises, how do you decide who's a waste hauler? I
25 don't want to say a waste hauler is somebody who hauls

1 with a front loader or roll-off box and then the
2 developers decide, "We just won't hire those companies to
3 haul our waste. Instead, we'll hire the guy with a pickup
4 truck to come and haul our waste." And then he would be
5 exempt from that service agreement.

6 MS. HORNIG: At first I thought you were going to
7 say what is waste and what is clean and recyclables and
8 create different standards for different characterizations
9 there.

10 But for the guys with the pickups, they're going
11 to be hard to capture. In a contractual basis, you can
12 include protocols so that the folks who obey the rules who
13 are franchised, who it's in their interest to police, have
14 a feedback mechanism for you whereby they report. They
15 know the guys who are cheating. And you can empower them
16 to enforce on your behalf.

17 MS. KOTKO: So I could say something who hauls
18 waste to a landfill is a waste hauler?

19 MR. INGALLS: The question came up with Hawthorne
20 is, what constituted self-haul versus being a hauler? And
21 what it came down to was if a service for fee -- in other
22 words, in you're being paid to haul. And it didn't matter
23 in that case whether you were a bobtail operator or
24 whatever. A service for fee was the basis that made you a
25 hauler. You're getting paid for it.

1 The self-haul is when the company owns its own
2 trucks and hauls as part of their business. Like a
3 roofing contractor may own its own bobtail to haul roofing
4 materials. In some cases -- like Viking Demolition at the
5 time that I spoke to them owned their own trucks. Fewer
6 and fewer demolition companies and construction companies
7 own their own trucks, because it costs a lot to own trucks
8 and operate them. But when they did, they weren't
9 considered a hauler because it's part of their overall
10 operation, like a roofer. But when it's a fee for
11 service, that is hauling.

12 MR. WORRELL: You do need to be careful of
13 cleanup companies, because we had a lot of them. They can
14 get in a landfill -- for a pickup fee charge, it was \$10,
15 and everybody else paid \$48. And they'd bring us almost a
16 ton and pay ten. And the roll-off companies couldn't
17 compete. So we solved that by raising the minimum rate to
18 \$12 and the minimum tonnage to 500 pounds. When you think
19 over 500 pounds, they now pay the same per ton rate as the
20 big guys, and that solved the problem of the cleanup
21 company, you know, having an advantage over the roll-off
22 companies.

23 MS. HORNIG: Just a last follow-up. In Monterey
24 County, for example, they try to deal with who's a hauler
25 by specifying that the self-hauler has to be the tenant or

1 the owner of a premises providing the service on the
2 premises. If they're going to be self-hauling, it has to
3 be their employees and so on to try to refine that.

4 BRANCH MANAGER MORGAN: Tina.

5 MS. CLARK: Before we entered our exclusive
6 commercial franchise agreement, we had a permitted system.
7 And I differ with Constance in her opinion that your
8 permitted haulers are going to enforce your non-permitted
9 activities.

10 The way in Monterey Park we found all these
11 people that were hauling debris was finding them through
12 the disposal reporting system and asking the landfill to
13 provide us the names of the customers. We really do with
14 our permit program -- and I think the question has already
15 been answered. We differentiate between what is the
16 primary purpose of the person doing the self-hauling? Is
17 it roofing? Or is it to throw away the roofing? Is it to
18 clean somebody's yard, or is it to actually dispose of
19 materials? And that's how we try to differentiate.

20 BRANCH MANAGER MORGAN: We're going to go to a
21 web-based question next.

22 MS. BROWN: Sungkey's second question is very
23 similar, because she asked if self-haulers and not
24 construction and demolition contractors are the major
25 generators of C&D waste being taken to landfills, then how

1 effective would an ordinance be in regulating the
2 self-haulers into recycling C&D?

3 BRANCH MANAGER MORGAN: Anyone want to take a
4 shot at that?

5 Berger.

6 MR. JOSTAD: I think part of the problem is
7 you're treating construction projects and demolition
8 projects the same. Construction projects generate
9 materials slowly over a long period of time. The
10 demolition projects, you're generating a lot of material
11 in a short period of time. You don't use roll-offs
12 typically. You're using high-side semis, a lot of them
13 hired by the hour. How does that figure into the
14 equation? If you start franchising, you have to take the
15 franchise guy with the drop-offs, or can I hire somebody
16 to who has a semi to assist us?

17 BRANCH MANAGER MORGAN: Anyone from the
18 jurisdictions want to deal with what your sense is what's
19 being disposed? Do you think it's more self-haulers or
20 others? Any idea?

21 MS. CLARK: The only thing I was going to say is
22 when we were having problems with the disposal reporting
23 system because of the bulk of non-permitted folks using
24 Puente Hills Landfill -- and although each individual
25 customer at Puente Hills Landfill maybe is a small amount

1 of tons, when you're talking about in a calendar year you
2 have close to 200 of these very small users, that tonnage
3 does add up, especially in smaller jurisdictions where
4 your tonnage is less and that represents a greater
5 percentage.

6 BRANCH MANAGER MORGAN: In the back.

7 MR. DAVIS: My name is John Davis. I'm with the
8 Mojave Desert Mountain Recycling Authority. I have a
9 question for Kelly and probably for Rob.

10 I'm surprised, too, in Riverside and San
11 Bernardino County there's just not much in the way of
12 infrastructure to handle construction material. And, you
13 know, one option is, like Joe described, do it at MRFs.
14 And that's kind of what's happening. Another option would
15 be to do it at landfills. But there's an investment that
16 goes on there. And I'm just curious, you know, why aren't
17 we seeing the private side step up? And what can the --
18 how do we work with the BIA maybe to try to guarantee
19 that's going to be a flow, Kelly, if that's the issue? Is
20 there a way to make those facilities happen, or do we just
21 try to do it as part of the MRF and landfill system?

22 MR. INGALLS: I think -- first of all, you gave
23 me the opportunity to correct the name of our website.
24 It's at cmra-socal.net. I think I mumbled through it
25 before. So that you know how to contact us, it's

1 cmra-socal.net. A little plug for our organization. Just
2 wanted to say that.

3 I think you answered part of it, is that you
4 really have to look at flow control. And the issue with
5 the North Ridge Earthquake, going back to that bad
6 example, is we had the huge flow control for about 18
7 months to two years. And facilities came on line and were
8 processing 10,000 tons a day of material. After that was
9 all cleaned up, it went back down to the normal rate of
10 whatever it was being taken to. This would be C&D, MRFs,
11 and source-separated facilities. That's the first issue,
12 is how much are you getting per day for those companies
13 who want to come in? And if there's enough, then it would
14 be a matter of sizing a MRF to be able to handle it. And
15 for that MRF to be diversified enough to be able to handle
16 inerts as well as mixed debris. So I think it's a matter
17 of looking at that.

18 And I think that -- I don't want to say, you
19 know, if you build it, they will come. But it's a matter
20 of a business looking at, for example, setting up a wood
21 waste facility. They just had to make sure they get
22 enough wood and things wouldn't get in the way, like
23 competing interests. And maybe the diversification in
24 your case to be able to handle all those types of
25 materials, including inerts, and coming out with, like Joe

1 has, where you're able to come out with a lot of end
2 products.

3 I think that is kind of the answer, is the flow
4 and the ability, not just to be taking concrete and
5 asphalt, but to be able to take those materials and enough
6 of those materials and make it a viable business option.
7 I hope that answered your question.

8 MR. DAVIS: And then I guess for Rob on the BIA
9 side, you know, once those facilities get built, how do
10 you get people there?

11 MR. HAMMON: There is a big component of
12 education that's involved. We need to have a program that
13 makes the builders want to encourage. In the past,
14 there's not been a big draw from consumers saying "I want
15 to buy a house that's built with recycled materials or
16 that I know that all the materials that came off this
17 house as waste was recycled." That's not in the buying
18 decision. There's something that you need to do to that
19 market to make it interesting to the builders to
20 participate.

21 The number one thing is going to be cost or time.
22 And so that's where a program comes in to try to have
23 benefits come back from the local government to encourage
24 them to use these facilities once they exist. The way
25 we've set up the program at the moment is that if we go to

1 a city, Moreno Valley or a city where there may not be
2 these facilities, then what we plan to do is come back to
3 CIWMB and say, "How do we improve the situation?" It's a
4 cost-driven opportunity rather than a problem. And how do
5 we make it during the siting and construction process to
6 be beneficial to the builders, and therefore the BIA, to
7 get them to use those facilities?

8 BRANCH MANAGER MORGAN: Stephen.

9 MR. BANTILLO: I'd like to add to what Rob was
10 saying. There is an opportunity, and there's a way to
11 look at it. Similar to what Kelly was saying, not exactly
12 if you build it, they will come. But, again, our program
13 is based on incentives and competition. We have almost
14 two dozen facilities in our area. We're pretty well
15 saturated. However, it's voluntary. They're not required
16 to participate. Again, relying on competition.

17 What convinced them to join our program and up
18 their recovery rates to become certified was that they
19 knew we had roughly 10,000 or more permits a year people
20 would be paying deposits on and looking for somebody to
21 process that material for them. In an area that isn't
22 saturated, same thing. I think that the economics would
23 drive somebody to want to locate in that area, put up a
24 facility to get that material, if they knew that the
25 material was going to be there. Again, somebody has to

1 take charge of that end of it on the generator side so the
2 material is going to end up hopefully locally.

3 BRANCH MANAGER MORGAN: Joe.

4 MR. GARBARINO: I'd just like to say in closing
5 my remarks, because I'm running out of candy and I have to
6 leave pretty soon. I built that MRF because I didn't own
7 the dump. And I figured the more I recycled, the less I
8 pay the guy that owned that landfill. That's what mine
9 was all about. I didn't do it to save the world. That
10 came later. I really enjoyed that part.

11 But the opportunity, as I said, is there for
12 people to do that, because I'm in competition with the
13 dump. Now, if the dumps lower their prices, they're going
14 to drive me out of business. But thank God, there's two
15 of them. So they've both lowered their prices. One guy's
16 twice as high as the other guy. So I'm thinking of no
17 recycling now and going to the \$20 pile instead of going
18 to the \$43 pile and no city have any recycling done then.
19 I'll dump it all.

20 But forget about the small hauler, middle hauler,
21 big hauler. It's all the same waste. It all goes into
22 the same pile and all gets recycled in the same fashion.
23 So I don't see any differential there. The guys that
24 comes in with a pickup could be a small contractor.
25 Another guy might haul the debris box. But if the price

1 is cheaper, he'll take it up to the landfills and dump it
2 in a hole in the ground. So those are your options to
3 talk about. You've got a lot to talk about.

4 BRANCH MANAGER MORGAN: With that said, I think I
5 want to conclude with Joe's remarks, because he said it so
6 eloquently.

7 Before we do wrap up, I'd like to thank our panel
8 members.

9 (Applause)

10 MS. CARDOZA: We have just a couple more slides
11 to wrap everything up, a couple of announcements.

12 --o0o--

13 MS. CARDOZA: Again, I want to point out to
14 everyone the September 1 through 3 deconstruction workshop
15 in Oakland. There are flyers on the back.

16 MR. HAYES: I'm also here to answer any questions
17 on that. I'm on the organizing committee for that.

18 MS. CARDOZA: Patrick Hayes, city of Oakland.
19 And also is Francisco still here, Guiterres, from the
20 Board also if you have questions.

21 And also maybe mid-August or so the Board --
22 we'll have an on-line survey asking people what they think
23 are the main barriers to diverting C&D waste. It will be
24 an on line survey. We'll use your -- when you signed in
25 today, we'll use your e-mails. We'll also have a

1 couple -- we have some all-jurisdiction e-mail lists and
2 interested parties. We'll send out a notice when that
3 survey is on-line, and we'll ask you to participate.

4 And also, again, there's handouts, there were, in
5 the back of the room with website links related to C&D.
6 Speakers' contact information, all the panelists today, if
7 you need to contact them afterwards.

8 --oOo--

9 MS. CARDOZA: And also there is -- we made an
10 audio tape of today's workshop. That will be posted to
11 the Board's website. Probably it will be located where
12 the model ordinance is. Should be up there hopefully in
13 the next couple of weeks.

14 Also we had a great transcriber today taking all
15 the notes. And we appreciate her being here. And that
16 will also be available.

17 And also copies of all the presentations will be
18 on the website as well. So I think that's it for our
19 announcements.

20 Thank you all so much for coming and
21 participating and listening in. And hopefully we can do
22 this again sometime.

23 (Thereupon the Workshop on Construction and
24 Demolition Waste Diversion Ordinances
25 adjourned at 12:45 p.m.)

1 CERTIFICATE OF REPORTER

2 I, TIFFANY C. KRAFT, a Certified Shorthand
3 Reporter of the State of California, and Registered
4 Professional Reporter, do hereby certify:

5 That I am a disinterested person herein; that the
6 foregoing hearing was reported in shorthand by me,
7 Tiffany C. Kraft, a Certified Shorthand Reporter of the
8 State of California, and thereafter transcribed into
9 typewriting.

10 I further certify that I am not of counsel or
11 attorney for any of the parties to said hearing nor in any
12 way interested in the outcome of said hearing.

13 IN WITNESS WHEREOF, I have hereunto set my hand
14 this 19th day of July, 2004.

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23 TIFFANY C. KRAFT, CSR, RPR

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